COPY

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

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TRANSPORTATION COSTS PROBLEM FOR BUSINESS

Wage Factor Important in Regard to Commodity Prices

BUILDING SITUATION

Material Prices Slowly Subsiding—Business as a Whole Continues Along Restricted Lines—German Market

The startling and almost appalling figures in the statement of the affairs of the national railways have given rise to very serious thoughts in the industrial and commercial community. The Minister puts the year's deficit at about $70,000,000, but J. L. Payne, former railway statistician for the government, figures up a total of nearly $140,000,000, taking into consideration all charges, and it is being pointed out by other students of the situation that preliminary figures already indicate a much more serious situation ahead.

In no country in the world is efficient transportation more necessary for national development and prosperity than in Canada. The problem is a two-fold one—something must be done at the same time to reduce transportation costs. There are many suggestions. To shoulder the debt and reduce the burden of fixed charges is one. To arrange for operation by the efficient C.P.R. under close government control is another.

No matter what course is taken there appears to be an urgent necessity for the reduction of transportation charges if Canadian farmers and Canadian manufacturers are to be able to market their goods in competition with the rest of the world in the period of keen business warfare which now seems inevitable. This would seem to involve a readjustment of wage schedule over the whole continent to overcome the unhealthy conditions created by the McAdoo award. The extent to which this situation has been aggravated in Canada under government operation is a point upon which there is considerable uneasiness.

Wages Must Come Down

A thorough readjustment of commodity prices and wages is a necessary prelude to a resumption of healthy activity in business. While price deflation has proceeded far in many lines the resistance to the return to normal price levels displayed by a large percentage of the wholesale and retail trade is one of the important factors delaying the return to normal.

Then again the unwillingness of labor to accept lower wages is one of the serious problems that must be solved. Wages in many lines contribute too largely to the cost of production and until wages are down commodity prices cannot be permanently reduced. Employers and workers who are unwilling to face present conditions frankly are retarding the resumption of normal business, and are working against their own interests. Prevailing wage scales are an absolute deterrent to the lowered costs which must be established before the prices of coal and steel and other basic commodities can be lowered and freight rates altered. One of the most significant news items of the week respecting this situation emanates from Chicago, to the effect that the Chicago packers have taken the initiative in ordering a reduction in the wages of employees. This will have an important bearing on the cost of living and the company will be enabled to offer its food commodities at a materially reduced price as a result of the saving in wages.

Building Proceeds Slowly

The situation in the building trades may be taken as fairly indicating conditions generally. At the present time building is proceeding slowly. The high costs of materials and wages have up to the present drastically curtailed operations. Millions of dollars' worth of building has been held up to await the return of normal conditions. The high costs of labor have up to the present been one of the most serious factors in inflat-

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ESTIMATES AND THE REAL THING

In THE FINANCIAL POST of Sept. 27, 1920, a protest was entered against what was felt to be a misleading estimate made by the Lake St. John Pulp & Paper Company, not only in regard to a low cost of manufacturing groundwood pulp, but to the probable price that would be received for the pulp. The company figured its estimate of profits on a certain (?) two-year contract for $150 a ton, the maximum price that had been received last year, when prices were at the peak. The returns of the Department of Trade and Commerce covering actual exports of groundwood pulp for the month of February, 1921, work out at $57 a ton! The difference between this and the glowing estimate laid before prospective investors of $150 a ton is—well, appreciable.

PUBLIC OPINION DOMINATING THE RAILWAY POLICY

Government Ownership Departs from Business Principles in East

From Our Own Correspondent.

ST. JOHN.—Hon. Dr. Reid, Minister of Railways, has advised the people of Gloucester county on the north shore of New Brunswick that if parliament passes all the railway estimates the sum of $980,000 will be spent on the Caraquet and Gulf Shore Railway, which runs from Bathurst to Tracadie. The minister also expressed the hope that his department will be able to obtain sufficient money to defray the expense of running a survey line for a proposed railway between Tracadie and Newcastle, making a loop line encircling Bathurst, Caraquet, Tracadie, Neguac and Newcastle.

It is hardly a year since the Government took over the Caraquet and Gulf Shore line, a matter of about 80 miles of railway. The private company controlling the line had found it impossible to keep the road in repair and provide a service satisfactory to the people of the district, and strong political pressure was brought to bear upon the Government to secure its incorporation in the national railway system. Whether the inclusion in the estimates of $980,000 to put the road in repair indicates an early election is being discussed.

In any case it illustrates one of the Government's difficulties as a railway owner and the apparent impossibility of ignoring the people's demands for railway services that are not always justified by commercial considerations.

COQUITLAM DEFAULTS

City Was Unable to Meet Notes Due March 15

City of Port Coquitlam treasury notes that matured in New York on March 15 were not met, and no arrangements have yet been made by the city to redeem the issue.

The city has a bill before the B.C. Legislature authorizing borrowing against tax sale lands, and when this is passed the city will offer sufficient bonds to retire the treasury notes that expired on March 15 and also those expiring in 1924.

The city, which has been in financial difficulties for some time, had been making progress towards a solution of its troubles of late, but exceptional expenses during 1920 offset these efforts. There is a liability of $43,185 in the sinking fund.

Accrued interest will be paid on the bonds temporarily defaulted.

INDISPENSABLE TO BUSINESS SUCCESS.

The following paragraph is from a letter to THE FINANCIAL POST from a prominent manufacturing concern of Nova Scotia replying to a communication dealing with the application of the Business Profits Tax:—

"Regarding the articles appearing in your issues touching on the matter of the turnover tax, please note that we are following these carefully. We are glad to report that we have been subscribers to your paper for some years and find it indispensable to the successful conduct of our business."

NEW STEEL MERGER WITH STOCK ISSUE OVER $10,000,000

Details of New British Empire Steel Corporation

WORK. CAP. $20,000,000

Assets Set Down at $168,000,000—No Cash to Come in At Once—Shareholders Called to Meet

From Our Own Correspondent.

MONTREAL.—The terms of the new combination of the Dominion Steel Corporation, Nova Scotia Steel & Coal Company, and Halifax Shipyards, to be known as the British Empire Steel Corporation, were announced on Wednesday evening and cover an outstanding capitalization of preferred and common stock of $101,750,000, as compared with $198,532,815 in the original merger. There will be left out of the present consolidation Canada Steamship Lines, the Maritime Nail Company, Collingwood Shipbuilding Company, Davie Shipbuilding & Repairing Company, and the Century Coal Company, as well as Canada Forgings, which was suggested at one time. The stock issues will be divided as follows:

Stock to Be Issued

7% cumulative preference shares, series "B"	$19,950,000
7% cumulative second preference shares	57,350,000
Common shares	24,450,000
	$101,750,000

Of the above there will be held by constituent companies second preference stock to the value of $5,605,000, and common stock amounting to $2,360,000.

In addition to these classes there is authorized the issue of 8 per cent. cumulative preference stock "Series A" for the purpose of obtaining additional capital. This last stock, it will be recalled, was to be issued to the extent of $25,000,000 under the former agreement at par with a bonus of common stock to British capitalists in return for $25,000,000 cash for the purpose of developing the steel end of the amalgamation particularly. It has been decided that for the present, at least, there will be no such issue, even the $5,000,000 under consideration recently being given up for the time being.

The terms of the exchange for the three companies are as follows:

Terms of Exchange

Exchange—	For B.E.S. Corp.
$100 Dom. Steel pfd. (6%)	$100 2% pfd. "B"
$100 Dom. Steel com. (6%)	$95 7% 2nd pfd. and $40 common
$100 Scotia pfd. (8%)	$120 7% pfd. "B"
$100 Scotia com. (5%)	$90 2nd pfd. and $40 com.
$100 Halifax Ship. pfd.	$100 7% pfd. "B"
$100 Halifax Ship. com.	$60 2nd pfd. and $25 com.

Preferred stocks of subsidiaries go in at par as well.

The $19,950,000 of 7 per cent. preference B that will be issued, if all the preferred shareholders decide to make the exchange, will be made up as follows:

How Preferred is Exchanged

Dom. Steel 6% pfd.	$7,000,000
Dom. I. & S. 7% pfd.	5,000,000
Dom. Coal Co., 7% pfd.	3,000,000
Nova Scotia S. & C., 8% pfd.	1,200,000
Eastern Car Co., 6% pfd.	750,000
Halifax Shipyards, 7% pfd.	3,000,000
Total	$19,950,000

For the common stocks of the separate companies there will be given a second preference 7 per cent. cumulative security, ranking as junior to Series A and B, and common stock as well. This will be divided as follows:

Terms for Common Stocks

	Merger 7% pfd.	Merger Common
Dom. Steel, com.	$40,850,000	$17,200,000
Nova Scotia, com.	13,500,000	6,000,000
Halifax Ship., com.	3,000,000	1,250,000
Totals	$57,350,000	$24,450,000

In connection with circular letters that are being sent out to the shareholders of the companies a balance sheet of the three companies in the merger as of Dec. 31, 1919, has been issued. It is explained that owing to the fact that the annual meeting of Dominion Steel Corporation does not end until March 31, 1921, it is not practicable to submit a balance sheet for the year 1920, "but assurance can be given that the earnings of the combined companies for the

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Philadelphia "Public Ledger."

Little Red Riding Hood Isn't Sure That It's Really Grandma

Taxing Financial Institutions

THE application of a Turnover Tax to companies buying or selling merchandise is, with some exemptions and allowances in specific cases, being more generally approved. The question of the application of the idea to purely financial houses and to men of recognized professional services presents, however, very serious difficulties.

Basically the Turnover Tax means a levy on the exchange of commodities—the barter and trade of objects of assessable value. Obviously salaries and services cannot be included in the application of such a system, nor could the interchange of negotiable paper—representing money, which in turn represents merchandise—be taxed. Money, apart from actual bullion, is largely a matter of bookkeeping.

Upon such grounds the banks, insurance companies and trust and loan and other financial institutions, while they strongly advocate a Turnover Tax as the only equitable measure of the nation's taxable [illegible] that [illegible] reasonable adjustment of the plan could possibly apply to their business. Accordingly, the Income Tax must be depended upon as a revenue producer from these institutions, and a judicious balance between Income and Turnover Tax evidently must be considered.

What is a Bank Turnover?

The word "turnover" is an illusive term when applied to banking. A bank does not buy or sell anything in the sense of the Turnover Tax application. It rents or loans money or credit and accordingly performs "services" which could be taxed with difficulty. A bank is a "sub-clearing house" for business, through which flows a system of paper credits that are the legal evidences of merchandise transactions. To subject this flow to any tax percentage charge would exact double taxation, inasmuch as the commodities paid for by the bank instrument have been previously taxed.

Actually, however, in the tax upon their circulations, banks are now operating under as close an approximation of the Turnover Tax as any such system could perhaps be applied to a function so abstract.

The elimination of banks from Turnover Tax obligations would simplify the problem; an Income Tax on these institutions at a rate which will give a yield comparable in volume to the tax paid by a commodity handling company would meet the situation.

Stocks and Bonds

Transactions on market in stocks and bonds might at first thought be considered sales. In actual fact, however, they are similar to a bank's operations. All supersocialist, anti-capitalist arguments to the contrary, stock exchange transactions are but one of our mechanical means by which the savings of the many are made available for productive business, that the many may benefit. To check this flow would tend to curtail the exchange of legitimately taxable merchandise. Here, again, the Income Tax functions more favorably, for, without drawing tithe or title directly from the volume, it exacts its just tribute from the profit resulting from controlling and handling this vital stream.

The resources of life insurance companies are largely savings of the people. As such, the Federal Government recognizes their inviolability save for a small tax on premiums, which being now in force, is paid by the company. Fire, liability and other forms of insurance are so essentially what their name implies, viz., assurance that the taxable community and products of labor may not be destroyed by the hazard of chance, that any levy other than those now existing on premiums, would be open to criticism.

Classifying together all financial institutions, or for that matter all purely financial undertakings, it is obvious that we must look to the Income Tax as the most practicable method applicable. Inasmuch as these forms of business necessitate a high efficiency of bookkeeping and close Government supervision, the application of an Income Tax will apply with less inconvenience or derogatory effect than is possible with commodity-handling concerns.

The Professions

Similar, and yet more complicated conditions, because of their acknowledged lack of system, are met with in the matter of the professional charges of doctors, lawyers, engineers and those who, apart from annual salaries, perform services for gain. The amount of such charge cannot be measured by any process of assessable value, nor by a percentage on invested capital. Little or no commodity exchange takes places, and to impose a percentage charge upon a service which entailed years of unremunerative work before the actual performance of such service seems illogical. The Income Tax again appears to offer the only equitable measure, though, to make it properly operative, an official pronouncement is necessary to specifically define what are professional and non-professional services.

While this classification would no doubt provide ground for controversy, it appears to offer a possible means of eliminating many of the difficulties standing in the way of an easy operation of the Turnover Tax.

The full incidence of a Turnover Tax could not be settled or equitably adjusted in haste. This is hardly a drawback. Sad experience with the hurriedly imposed Luxury Tax has taught its lesson. After all, the necessity to provide adequate Government revenue is the first consideration. The Turnover Tax could be applied to certain classes of industry, and after the result has been observed its extension, if necessary, would be simple.

STOCK MARKETS CONTINUE DULL AND DEPRESSED

Fail to Respond to Improvement in Sentiment of Wall Street

BUSINESS OUTLOOK

Continue to Reflect Uncertain Trend of Business—Banks Curtail Credits for Market Purposes

Sentiment on Wall Street was much improved toward the close of the week and stocks indulged in a brisk recovery, the forward movement giving rise to talk of the traditional spring rise in stocks. The Canadian markets, however, failed to respond, and continued their wayward course of depression and reaction. The movement continues mainly downward and the majority of stocks closed the week at even lower levels than the close of the previous period.

Favorable financial statements of several of the paper companies were an encouraging feature of the week, and served to impart a little more favor to these stocks than has been manifest for many weeks, but the improvement was of small proportions and was short lived. The markets as a whole continue to reflect the uncertainty of the business situation, and it appears improbable that any sustained improvement will materialize until business has definitely embarked on a more favorable trend, and of that there is little or no evidence at the present time. The wage question is causing a good deal of discussion at the moment. It is admitted that the high wage received and demanded by labor is one of the factors which is prolonging the present period of industrial depression. With labor costs making up a large proportion of the cost of commodities, a permanent reduction in prices is hardly possible until labor costs are adjusted on a lower scale, and until prices are thoroughly readjusted upon a scale which will tempt buying, a revival in business cannot develop. A number of the important industries on the other side, notably the packing industry, have inaugurated wage reductions within the past week, although this movement has not as yet become general. Transportation costs are another important factor in holding commodity prices at high levels, and here again it is evident that a reduction in wages

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VANCOUVER HAS AN AMBITION TO SERVE PRAIRIES

Move Behind Demand at Ottawa for Free Port

FREIGHT RATE ISSUE

Reductions of Charges in Mountain Haul Would Overcome the Present Advantages of Winnipeg

From Our Own Correspondent.

OTTAWA.—Mr. Stevens, the member for Vancouver, has a resolution on the order paper of the House of Commons that action be taken immediately to provide means for expediting and facilitating the discharge and shipment of ship cargoes and the export of goods that are imported into Canada for export whether or not the same are repacked, manufactured, or otherwise treated, so that Canada may be able to compete on favorable terms with other countries; and for the establishing of free areas at Vancouver and other ports in which such business can be transacted. In other words, he desires that Vancouver be made a free port. It is understood that Victoria also will make application at an early date to be made a free port area. They are being impelled to this move partly to build up their foreign trade, and also from a desire to forestall similar action on the part of American Pacific coast ports.

Back of this application there is something else which deeply concerns the wholesale trade of Winnipeg and eastern points. As readers of The FINANCIAL POST will be aware, repeated efforts have been made by the prairie provinces to have the differential freight rates, which are higher on the prairies than in the east, removed, in order that the cost of living on the prairies may be reduced. The prairie provinces strongly pressed this contention before the Railway Board at the recent investigations here. They claimed that any justification for higher rates because of water competition by the lakes and of lower rates in the United States had been removed, and the rates should be equalized through to the Rockies.

But British Columbia is also claiming that the still higher rates through the mountains should also be removed. While they seemed justified so far as the Canadian Pacific was concerned, the Canadian National haul from Edmonton to Vancouver and vice versa is claimed to be on a different basis, and a differential rate is not justified. Such contentions, it is understood, will be very strongly pressed upon the Railway Board at its coming sessions in the west.

Vancouver's Ambition.

Now for the motive back of this contention. Vancouver is going strongly after the import trade, and hopes, by the removal of the differential rate and being made a free port, to become the port for the trade of the prairies, which has hitherto been largely controlled by Winnipeg and the east. Already over fifteen thousand tons of grain have been shipped to Europe through Vancouver and via the Panama Canal. At a luncheon given in London the other day to celebrate the arrival of the first cargo of wheat shipped from a Pacific port, Sir George Perley commended the project as tending to equalize the distribution of trade between eastern and western Canada; while F. C. Wade, agent general for British Columbia, foresaw a great awakening on the Pacific coast, and said we should yet see British Columbia as "Canada's chief shop window." R. A. Johnson, owner of the line which carried this wheat cargo, emphasized the importance of the Alberta oil discovery, and said, owing to coal burning ships being impracticable for the Panama route, it might prove of great importance to the development of the western carrying trade. A leading American steamship company is now considering a project to establish a line of steamers operating from eastern to western Canada via Panama. The idea back of this project is that the Canadian Government Merchant Marine and the Canadian Pacific Ocean Service are practically precluded from operating such a service, as they would be offering too severe competition to their own railway lines.

It is known that certain members of the railway commission view with considerable surprise the persistent efforts being made from Winnipeg for the reduction of rates, in view of what is likely to follow. They realize that the interests on the coast will follow suit, and if they grant reductions on the prairies, it will be difficult to deny them to the coast.—T. M. F.

U. S. STEEL ORDERS STILL SHRINKING

Will Probably Be Down to 50 Per Cent. Basis by End of March

United States Steel Corporation continues to show a falling off in operations, according to late advices. Production cannot be much more than 60 per cent. of capacity, and will probably be below 50 per cent. by the close of the month. Further shrinkage of 600,000 tons or more in March unfilled orders can be looked for.

The Steel Corporation is booking very little new business, and the same can be said of the independent steel companies. Consumers are not inclined to make commitments pending an expected price adjustment by the big company.

A reduction in prices and wages by U. S. Steel would no doubt be followed by an increase in demand, but there is not a manufacturer who looks for real big business before fall. One manufacturer says production of the steel companies of the country may not be more than 35 per cent. of capacity, perhaps less, before the end of next month. At present independent companies are operating less capacity than at any time in twenty years. At the same time consumers' stocks are down to bedrock.

Railroad, automobile, equipment, can and other heavy consumers of steel are holding off, pending a price adjustment downward by U. S. Steel. Even when they are convinced prices have reached bottom they will not make heavy commitments, but even buying for actual needs at this time would inject life into the situation.

IMPORTS ON MUCH LOWER PRICE BASIS

A Marked Change in Value of Commodities During the Past Year

Prices abroad of the articles being imported continue to decline. A month ago, says a statement by the National City Bank of New York, it was quite apparent, by a study of details of the December imports, that a very large proportion of the merchandise imported in that month was at a lower price per unit of quantity than in earlier months of 1920 or in 1919, and the details of imports in the opening month of the current year show a still further decline. In fact in approximately three-fourths of the articles imported the prices per unit of quantity in January, the latest month for which details are available, are less than those of December, and far below those of earlier months of 1920.

This continuous fall in prices per unity of quantity of the articles imported occurs especially in manufacturing material, and certain lines of raw foodstuffs, while manufactures show a lesser willingness to "come down" than do the raw materials. Raw silk, for example, of which the import price averaged $6.52 per pound in December, 1920, and $12.28 per pound in March, was in January, 1921, $6.02 per pound. Raw cotton, of which the import price was 29c per pound in December, and 69c per pound in August, 1920, averaged 28.3c per pound in January, 1921. Clothing wool, which averaged in the imports of December 24.1c. per pound, and 66.3c per pound in March, averaged 24.2c in January, while combing wool, of which the import price in June was 77.7c per pound, was in January, 1921, 22.2c. Manila hemp, which was $292.74 per ton in December, 1920, and $376.98 in July, was $226.43 in January, 1921, and sisal grass (a substitute for hemp), which averaged $226.01 per ton in February, 1920, was $138.60 per ton in January, 1921. Hides of cattle, which averaged 35.40c per pound last May, were in January only 17.2c per pound, and goat skins, which averaged $1.27 per pound in July, were only 48.1c per pound in January, 1921. India rubber, which averaged over 46c per pound in April, was but 29.4c in January. Tin, for use in manufacturing tinplate, which averaged 64.5c per pound in August, was 44.6c in January.

The International Harvester Co., according to a Chicago report, has reduced prices 10 to 15% on about one-third of machines listed, representing approximately 43% of gross business. Threshers are reduced $100, tractors $150 to $350 and gas engines $10 to $25.

TRANSPORTATION BIG PROBLEM IN STOCK EXPORTS

Much Better Business to Ship Carcasses to England

THE CATTLE EMBARGO

Some Eastern Views As to Effect of Removal—Maritimes Interested in the Abattoir Proposal

From Our Own Correspondent.

ST. JOHN.—The project of the Dominion Department of Agriculture to establish a big abattoir and cold storage depot near the winter port in order to facilitate shipments of frozen meats to Great Britain and other countries appears to be in abeyance, pending evidently the outcome of the agitation for the removal of the British embargo on live cattle.

The maritimes are not much interested in the cattle embargo question, as they are not exporters of cattle to any extent but they have shown considerable interest in the proposed Government cold storage plant—enough at any rate to quarrel lustily over its location. On the one hand, the farmers think that the proposed establishment would tend to make the East a considerable factor in the cattle trade, and encourage cattle and sheep raising in the maritimes; on the other hand, the fishing interests believe it would somehow be linked up with cold storage plants throughout the country, and serve as a base of operations looking to the development of the frozen fish trade with the big inland cities.

Shipping Problems

No doubt the Farmers' Government of Ontario, which appears to be mainly responsible for the present demand for the admission of live cattle into the British market, has good reason to believe that it would be in the best interest of the Canadian cattle raiser. But some shipping men doubt the possibility of developing a profitable live cattle trade under present conditions. A local shipping authority points out:

"No doubt Canadian farmers are justified in asking the removal of the embargo. While the mother country maintains the embargo on the ground that it is necessary to protect her herds from the contagion of disease, there is an unfair reflection upon Canadian cattle, a reflection which perhaps affects the sale of Canadian chilled meats and packers products there. The agitation now going on ought in any case prove a good advertisement for Canadian meats.

"But whether, supposing the embargo is removed, it is going to be a profitable business for Canada to ship live cattle to England remains to be seen. When we were shipping live cattle before, steamers were operated very cheaply, and a large percentage of the cattle tenders were men working their passage. Fodder cost little, compared with present day prices. Moreover, cattle were cheap, too, and the loss of a score or so on the voyage was no great matter.

"Now, ships for the moment are plentiful enough, but the cost of operation is high, and there is no immediate prospect of a fall in the price of bunker coal or of wages. To construct cattle pens in a ship now would cost four or more times what it did in the old days. And with cattle at present prices the loss of a score or so on the voyage would be a serious matter.

"When Canada and the United States were shipping live cattle to Great Britain in the old days, the possibilities of cold storage were hardly known. But today the old prejudice against chilled meats has largely disappeared. Chilled beef from Argentine and chilled mutton and rabbits from Australia, are landed in England in large quantities, and find a ready market. Then, too, the packers' products are placed on the British markets in an attractive form and to an extent unknown in the old days.

"If Canada resumes the export of live cattle we will have to meet new forms of competition from Australia and Argentine unknown in the old days.

"Again Ireland has greatly developed cattle raising, and the British agriculturists have also gone in extensively for stock raising. It is doubtful if Canada can capture any appreciable amount of the high class meat trade. We certainly are not raising as fine a class of beef cattle as the Irish are doing today.

"It seems to me that about the best Canada can hope to do is to increase her meat sales to the British working classes, and this means utilizing the most economical methods of delivering meat. And as chilled meats take up about one-seventh of the space of live cattle, we may perhaps do well to give more attention to developing our cold storage services afloat and ashore."

FREIGHT RATE INCREASES

From Our Own Correspondent.

OTTAWA.—It is understood that the increased rates, so far as freight is concerned, have not been productive of as much benefit to the railways as was anticipated, particularly in the west. It is said that the increase in the case of freight on lumber, for example, amounts to about one hundred dollars for the average prairie house; and this, added to the high price of lumber itself, has tended to further discourage building so that lumber freights to the prairies have fallen away to almost nothing.

THE UNION BANK OF AUSTRALIA, LTD.

Established 1837. Incorporated 18[illegible]
CAPITAL—
AUTHORIZED AND ISSUED £[illegible]
Paid-up Capital £2,500,000
Res. Fd., £2,570,000 Together £5,070,000
Res. Liab. of Proprietors....£5,000,000
Total Capital and Reserve.£10,070,000

Head Office 71 Cornhill, London, E.C. 3

The Bank has 181 Branches, viz:
In Victoria 41
In New South Wales.... [illegible]
In Queensland 19
In South Australia 14
In Western Australia 21
In Tasmania 3
And in NEW ZEALAND. 44

Drafts upon these Branches are issued by the Head Office and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Incorporated 1855
Capital & Reserve $9,000,000
Over 130 Branches

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Without the assistance of the banks, business would come to a standstill. One of the chief functions of The Molsons Bank is to help the business man or manufacturer to do more business.

EDWARD C. PRATT
General Manager

5% AND ABSOLUTE SECURITY

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Winnipeg, Man.

Long Term Eastern Municipals on an Attractive Basis

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HALIFAX, N.S. ST. JOHN, N.B.

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INDUSTRY waves its magic wand, and busy communities spring up, throbbing with life and prosperity.

A manufacturing plant sends its roots down, and, lo, a sleepy village becomes a thriving town. Better homes are built; shops multiply; the air buzzes with happy life.

And the thousands of men and women who have created the manufacturing plant by uniting their small quotas of capital for productive ends—they, too, reap the reward of their faith in a greater Canada.

Some of these industrial undertakings we have investigated, and their securities we can thoroughly recommend. Let us tell you of them.

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100 (new) Circular Letters 5.00
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Main 4630

Timberland Service
Estimates · Maps · Graphic Methods
James W. Sewall, Forest Engineer
Old Town, Maine — Sanford, Florida
Munsey Building, Washington, D.C.
Largest Cruising House in America

TO ALL
Whom It May Concern

THE Parliament of Canada has recently passed a bill regulating the taking of the vote on the Referendum in Ontario on April 18. The points to remember are as follows:

1. Every British subject by birth or naturalization, man or woman, resident in the Dominion of Canada one year previous to February 1, 1921, and resident in the Province of Ontario for two months previous to same date, is entitled to vote, unless otherwise disqualified.
2. Voters' Lists used in the last provincial referendum are the lists to be used in this Referendum, subject to revision. Every urban voter must be on the list in the division where he resides.
3. In incorporated cities and towns of 1,000 population or over, arrangements will be made for receiving applications from any who are not now on the list on March 29 to April 4 inclusive—except Sunday, when for six clear days officers will sit to receive such applications.
4. In rural polling divisions the voter must be either on the list or be put upon it as a resident and be vouched for as such by another resident.
5. Both affirmative and negative sides have the right to select scrutineers.
6. Women have the right to vote.

VOTE
—and vote—
"YES"

Ontario Referendum Committee
26

DR. REID DID NOT TELL THE WORST ABOUT RAILWAYS

Deficit is Estimated at $100,000,000 and Up at Ottawa

BIG NATIONAL ISSUE

Problem Even Overshadowing the Tariff—Reorganization on a Drastic Scale May Be Attempted

From Our Own Correspondent.

OTTAWA.—Practically the only subject for reflection and discussion here at present is the railway situation; and the more it is considered, the more serious it grows. During the past two or three days it has taken up a good deal of the time of the cabinet councils also, overshadowing even the budget as a subject of discussion.

Although the official estimates of the deficit, as given in the speech of the Minister of Railways, was put at around $70,000,000, which was an increase of $21,000,000 over that of last year, the critics had not been long at work before they found that the country was paying far higher than that for its railway whistle. There are reservations of accountancy which make it difficult to arrive at an exact and final figure; but it is not exaggerating to put it down at $100,000,000, and one critic, whose long experience in the statistical department of the Department of Railways entitled his views to consideration, estimates the actual tax on the people of Canada for public ownership of 52 per cent. of its railway lines as being nearly $140,000,000.

Ahead of the Tariff

Whatever estimate is taken, there is general agreement that the problem has reached a point where it must be tackled seriously and immediately. There is nothing to justify optimism as to the immediate future; and the country simply cannot shoulder a $100,000,000 railway deficit on top of the other enormous liabilities which the war has imposed. There is a growing belief that, for the present, the energies of parliament and the Government would be better devoted to a serious and non-partisan attempt to solve the railway problem rather than to become involved in a discussion on the tariff; and it is, therefore, not improbable that a general revision may be further deferred. There is an element in the cabinet which considers Canada should defer revision until it can be seen what course the United States is going to pursue. If there should be any radical changes in the tariff there affecting us, put through while parliament is in session, tariff revision here might again assume importance this session.

There will probably be no decided action regarding the railway situation until after the Grand Trunk arbitration is concluded. The statutory limit set for the duration of the proceedings and the making of an award is April 9. The arbitrators representing the company contend that the case cannot be properly completed within the time named and are asking the Government for an extension, which it is not disposed to grant. The Government is anxious, in fact, to have the Grand Trunk matter settled as soon as possible, so that it may be able to sum up the whole situation and decide on what action it will take with regard to the whole matter.

A Change Wanted

It is understood that there is a growing desire to get out of Government ownership and operation; but, so long as the problem is on its hands, there is also a feeling that an attempt should be made to handle it so as to produce better results that have been attained hitherto. It may be taken for granted that, as soon as the Grand Trunk is taken over, and a survey of the whole situation obtained, some very radical announcements will be made with regard to management. It must be admitted that those who are dissatisfied with the present management have no very special crticism to offer, only pointing to results, which, roughly, are summed up in appalling deficits.

It is probable that, within a few months, the whole Railway Board, including President Hanna, will be asked to hand in their resignations. What course will be followed thereafter is problematical. There may be a new board appointed. It is understood that, for some time past, attempts have been made to secure a railway executive of outstanding ability, to come to Canada and tackle the railway problem. Any salary in reason would be paid to the right man, and $50,000 has been suggested to some of those approached; but the big men in the United States are shy of tackling the problem. They all express the belief that politics are inextricably mixed up with the railway question in Canada, and do not desire to attempt its solution under such circumstnces. They remember the experiences of Gutelius with the Intercolonial.

Get Rid of Roads

Another proposal is that the idea of Government ownership be dropped entirely, and that some of the outstanding capitalists and business men of Canada be approached to form an organization to take the entire system over on some basis to be agreed on to operate it on purely business lines, cutting out the deadwood in the system in every possible particular, and making one real transcontinental system by linking up the vital portions of the Intercolonial, the Grand Trunk and the Canadian Northern. Contrary to popular belief, there is no doubt that the Canadian Pacific corporation would prefer to see their competition—and it is not doubted that a properly co-ordinated combination such as suggested, properly managed, would give them severe competition—put on a sound basis. They fear, as do all great business concerns, what may result to the general business life of Canada if the present dangerous condition is not promptly remedied.

OIL ACTIVITIES IN NORTHERN FIELDS

New Syndicates Organized—Many Old Companies Wiped Off Alberta Records

From Our Own Correspondent.

EDMONTON.—Among the most recent additions to the list of intending operators in the northern oil fields are four syndicates of Canadian and British capitalists represented by James D. Tait, of Vancouver, which are purposing to begin development work in the Great Slave Lake field this summer. Word has also been received here that Cochrane & Harper, financial bankers of Boston, will send a geologist into the Mackenzie country in the early part of the season, with a view to the investment of some American capital in the northern oil game.

In the meantime some of the aftermath of the oil boom of pre-war days is being cleared away. Oil and gas companies to the number of 137 have just been dissolved, and their names struck off the register of joint stock companies for failure to comply with the terms of the law.

ELECTRIC POWER FOR THE FARMER

Problem of Prairie Communities Is Being Given Special Attention

The supply of electrical energy to the smaller villages and to farmers has recently been commanding special study. In most cases, says L. G. Denis in Conservation, it has been found that to supply only one or two consumers relatively long lines and individual transformers are required. In urban centres these are made to supply hundreds of householders. This difficulty has been overcome in various ways, such as the farmer paying for the portion of the line used for himself alone, or paying a special fixed charge covering the cost of same.

Where water-powers are abundant, rapid prgress along the above lines is to be noted, but extensions could also be provided on systems supplied from large steam power plants. The greater portion of the prosperous farming communities of the Prairie Provinces requires to be supplied with electric energy derived from large steam power plants, and rural lines there would prove a great boon, both for convenience and increased production.

The experience of a steam plant in England may be cited in this connection. The plant had never been successful financially until its activities were extended to rural distribution. This greatly increased its output, the plant was placed on a sound basis, and its lines now cover a radius of from 12 to 15 miles in all directions. The load is reported to be steadily increasing in lighting, appliances and small motors for farm use. It is interesting to note that under somewhat unfavorable circumstances electrical service has been extended to cover a large farming community and that the enterprise has succeeded.

With the exception of 1918 the total production of bituminous coal in 1920 was the largest on record, according to Geological Survey, exceeding even the war year of 1917 by 1%.

GOV. MILLER FOR PRIVATE POWER DEVELOPMENT

Does Not Favor Public Ownership for New York

URGES QUICK ACTION

Niagara and St. Lawrence Projects Require International Agreement—State Should Regulate

Urging early development of the water powers of the state and the adoption of a settled policy in this connection, Governor Nathan L. Miller, of New York, points out to the state legislature that the situation as regards possible developments on the Niagara and the St. Lawrence is complicated by the necessity for international agreements, such as the Federal Government alone can make. He refers to the several schemes for the development of more power on the Niagara and particularly the project to dam the river below the Whirlpool rapids.

Governor Miller fears that the "international and other complications affecting boundary streams may delay important developments in the Niagara and the St. Lawrence," and urges that "we should strive to eliminate these complications." In this connection he states his belief that the best results will be obtained by private rather than public development:

> The great question of policy first to be settled is whether the State should itself undertake to develop the available power, or should encourage private enterprise to do it. If the public interest can adequately be safeguarded, there is no doubt but that private development will be more efficient and, therefore, best for the consumer in the long run.
>
> The Federal Water Power Act appears to be carefully drawn to prevent the exploitation of the public resources for private gain. I believe that a State Act drawn along somewhat similar lines can be made efficacious to secure to all of the people of the State the benefits to be derived from the development of the State's natural resources. Any plan or any policy, which does not assure the maximum development of the potential hydro-electric energy of the State for the benefit of all the people of the State, should be rejected.
>
> Licensees should be subject to the jurisdiction of the Public Service Commission to regulate capital issues, rates and service. All diversion and use of State waters without a license under the Act should be prohibited, except such as are now actually and lawfully made.
>
> It will not be necessary to close the door upon State development in case capital should be unwilling to enter a field in which the public interests are safeguarded as I have indicated.
>
> The general benefits from water power development may be secured in two ways, viz.:
>
> 1. By taxation.
> 2. By cheapening the cost of power.
>
> Under any proper system of safeguards, the ultimate consumer will bear whatever taxes are imposed and it does not appear to me to be wise policy for the State to seek to make the proposed development revenue producing beyond reasonable recompense for the use of State lands or property and reasonable charges for the costs of administration. From the standpoint of revenue alone the State is likely to gain most from a policy which will stimulate its industrial development. Of course, I am speaking of development of power for distribution to the public, not of private development for private use.
>
> I, therefore, recommend the passage of a licensing act along the general lines of the Federal Act, with careful provisions to safeguard the public interests as hereinbefore indicated.

Furher, Governor Miller urges that the potential energy of coal and water be utilized in common by the most economical generation of each and a common distribution of both and suggests that the first step should be to make possible the development of water powers under a policy which will make it practicable for private initiative to undertake the task under safeguards which will protect the public interest.

SWEDEN'S PAPER OUTPUT

Newsprint Will Approximate 180,000 Tons—150,000 Tons for Export

The production of newsprint in Sweden during the present year will in all probability amount to between 150,000 and 180,000 tons. As the average domestic consumption is about 30,000 tons per annum, there will be available for export from 120,000 to 150,000 tons. The year 1921 opened with 271,000 tons of wood pulp contracted for delivery during the year. As for wrapping paper, kraft, sulphate paper, grease proof, etc., the production for the present year will be about 175,000 tons. Allowing 20 per cent. for domestic consumption, there will be about 155,000 tons available for export.

THE ROYAL BANK OF CANADA

Statement to the Dominion Government (Condensed)
February 28th, 1921
Head Office MONTREAL

LIABILITIES	
Capital Paid up	$ 20,245,940.00
Reserve Fund	20,189,975.00
Undivided Profits	546,928.20
Dividend No. 134, payable 1st March, 1921	606,022.04
Notes in Circulation	36,107,082.74
Deposits	427,168,293.52
Due to other Banks	15,139,683.63
Bills Payable (Acceptances by London Branch)	6,596,405.20
Acceptances under Letters of Credit	17,939,520.73
	$544,539,851.06
ASSETS	
Cash on Hand and in Banks	$130,680,196.61
Deposit in the Central Gold Reserves	16,500,000.00
Government and Municipal Securities	33,060,745.20
Railway and other Bonds, Debentures and Stocks	14,729,158.68
Call Loans in Canada	13,709,223.76
Call Loans elsewhere than in Canada	35,242,116.48
	243,921,440.73
Loans and Discounts	271,173,558.43
Liabilities of Customers under Letters of Credit as per contra	17,939,520.73
Bank Premises	9,680,112.25
Real Estate other than Bank Premises	923,274.09
Mortgages on Real Estate sold by the Bank	41,944.83
Deposit with Dominion Government for Security of Note Circulation	860,000.00
	$544,539,851.06

727 BRANCHES IN CANADA, NEWFOUNDLAND, WEST INDIES, CENTRAL and SOUTH AMERICA, also LONDON, NEW YORK and BARCELONA.
Paris Auxiliary—THE ROYAL BANK OF CANADA (France)

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Sometimes you may have collections to make in a nearby city or town, or elsewhere in Canada, or in the United States. We have the facilities, both at home and abroad, for giving an unusually prompt service in making collections for our customers.
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Capital .... $ 9,700,000
Reserve Fund 18,000,000
Total Assets 230,000,000
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H. A. Richardson, General Manager.
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London, England, Branch, 55 Old Broad Street, E.C. 2.
Collections made at lowest rates and returns promptly remitted. Accounts of firms, corporations and individuals carried on most favorable terms.
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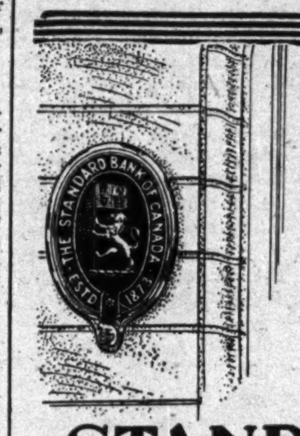

To Manufacturers
THIS Bank considers that one of the most important of its functions is to meet the needs of Manufacturers. Our record of substantial development during the past 48 years has been largely due to this policy.
By the closest co-operation with Manufacturers, both large and small, and by a never-failing vigilant interest on their behalf, wide mutual benefits have resulted.
We cordially invite the accounts of Manufacturers. 354

THE STANDARD BANK OF CANADA
TOTAL ASSETS OVER NINETY MILLIONS
Head Office: - 15 King Street West, Toronto
16 BRANCHES IN TORONTO

LONDON JOINT CITY & MIDLAND BANK LIMITED
CHAIRMAN
The Right Hon. R. McKENNA
JOINT MANAGING DIRECTORS:
S. B. MURRAY, Esq., F. HYDE, Esq., E. W. WOOLLEY, Esq.
Subscribed Capital . . £38,096,363
Paid-up Capital . . . 10,840,112
Reserve Fund . . . 10,840,112
Deposits (June 30th, 1920) . . 367,667,322
HEAD OFFICE: 5, THREADNEEDLE STREET, LONDON, E.C. 2.
OVER 1,460 OFFICES IN ENGLAND AND WALES
OVERSEAS BRANCH: 65 & 66, OLD BROAD STREET, LONDON, E.C. 2.
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Dividends payable in Canadian or American funds.

Full particulars sent on request.

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We have several attractive preferred stock issues, backed by established earnings, and in some cases carrying attractive bonuses of Common Stock.

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$100,000 Dominion of Canada Long Term Bonds
Yielding Over 6%
The Best and most marketable Security obtainable in Canada.
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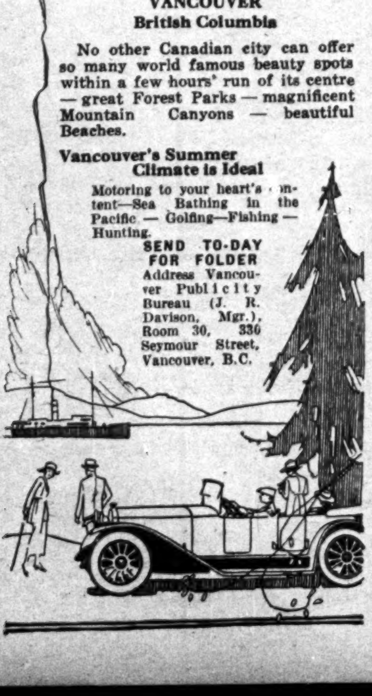

IMMIGRATION TO HELP CARRY RAILWAY DEFICIT

Views of Hon. T. A. Crerar and President Beatty Coincide

NO FLOOD TO FEAR

Francis H. Sisson Argues That There are Few Indications That America Will Be Over-run with Settlers

In dealing with the railway problem in Canada this week Hon. T. A. Crerar emphasized the necessity for immigration in order that the communities served by the national railroads might become settled and produce prosperous business. In outlining this practical policy Mr. Crerar repeated in effect the views of President E. W. Beatty on the Canadian Pacific, given in an interview the day before. Significant in connection with these statements was the announcement that a charter had been granted creased to more than 1,100. With this higher efficiency not only in this branch of operations but, it may be concluded, in every line of operation, it is evident that the way is being prepared for a considerable decline in building costs. That there has been distinct improvement already is evident from the statement of another builder who declared that last fall he estimated the cost of a certain piece of work at $30,000, but this spring he was willing to undertake the same contract for $20,000.

A price comparison table on sixty-seven staple lines of hardware, using 100 as an index number representing the price prevailing a year ago, reveals the fact that the average price on January 1 of this year showed an increase of 10½ per cent. over the price prevailing January, 1920. A comparison of prices of these commodities at March 1 last with those prevailing a year ago reveals a decline of 5.1 per cent., the present index being 94.94, while present prices show an average decrease of 8½ per cent. since the beginning of the year.

In many retail lines the near approach of Easter is said to be stimulating trade. In fact to such an extent has this been the case in the clothing trade that stocks are being rapidly depleted, and wholesale buying on a fairly large scale is developing.

Prepare for Revival in Business

While business on the whole continues along restricted lines manufacturers are making preparations for the revival which is confidently looked for, and, with a view to meeting the strenuous competition that will no doubt be an outstanding feature of business for some years to come, are looking to the foreign markets. The possibilities offered by Germany as a market centre are receiving some attention, and some interesting comments by Canadian manufacturers upon the advisability or otherwise of renewing trade relations with Germany are published in the current issue of Canadian Machinery. The following is reproduced as clearly indicating the duty of Canada in this regard:

"If Germany is to be expected to pay the war indemnity, Canada, along with the other allies, must forget to a certain extent their antipathy to trading with Germany, and must be prepared to do business with them, the same as with any other foreign country. From Canada's point of view, it would seem to me that our general policy should be to invite Germany and other foreign countries to compete in Canada for the sale of goods which we cannot manufacture at all, or cannot manufacture to advantage, and that the imports into Canada, whether from Germany or elsewhere, of goods which we can and do manufacture in Canada should be discouraged. In other words, in order to build up our country we should not buy from Germany or any other country anything that we can manufacture ourselves.

"At the present time, when our fiscal policy seems to be paramount in everybody's mind, it would be timely to consider what Germany did in building up her industries and export trade, and instead of the haphazard kind of tariff which applies at present, we should have a scientific revision of our tariff by means of a capable tariff board, which would provide the necessary protection for growing industries, as well as protection for the consumers, and make it possible for us to do business in lines in which we ought to do business with Germany, and eliminate ruinous competition with her in lines which we can manufacture ourselves to market at reasonable prices.

"We cannot afford to treat the matter of trade with Germany sentimentally, if we expect Germany to meet her obligations, and we must be prepared to do business with her on a fair and equitable basis for such goods of her manufacture as we will require."

Last year 380,000 acres of timber, or 236,000,000 feet valued at $299,000, was destroyed by fire in British Columbia. Damage to young growth and range is placed at $186,000, as the total damage to forests amounts to $485,000, as compared with $393,000 in 1919.

MOUNT ROYAL HOTEL

Construction to be Started Shortly by Fuller Co.

From Our Own Correspondent.

MONTREAL.—Over half the debenture issue of the Mount Royal Hotel Co., it is understood, has been subscribed, and work on the new structure will start, it is understood, in a few days. The George H. Fuller Company have been awarded the contract, and it is stated they personally underwrote the $3,000,000 issue of bonds.

QUESTION LEGALITY STOCK ALLOTMENT

Dissatisfaction Among C.G.E. Shareholders Over Distribution to Retiring President

While the great majority of shareholders of the Canadian General Electric Company are inclined to view philosophically the decision reached at the annual meeting this week to distribute a stock dividend of 20 per cent. to shareholders, the same degree of equanimity does not exist in connection with the proposed allotment of 2,400 shares of the company's stock to the retiring president, Senator Frederic Nicholls. Despite the fact that the meeting approved the allotment to Senator Nicholls, a feeling exists among those who were not present that this distribution was uncalled for under prevailing conditions and they complain that they were not given any intimation through the notice of annual meeting that a matter of this nature would be brought up, and no provision was made through their proxies, therefore, to deal with this subject. It is claimed therefore that the meeting was not representative, as it is understood that only a small minority of the shareholders were present at the meeting, and suggestions of the possible illegality of the decision and even hints of legal action to restrain the passing of this block of stock are in circulation.

Doubt as to the advisability of the stock distribution to shareholders at this time is expressed in some quarters in view of the heavy indebtedness of the company and the fact that during the year an allotment of $326,300 was made on behalf of interest on borrowed capital. The annual statement shows a very heavy increase in current accounts and bills payable from $2,403,364 at the close of 1919 to $8,463,245, or an increase of approximately $6,000,000. In view of the fact that the company has largely increased its financial obligations, it is pointed out that it would have been wiser, rather than increase the liabilities by the stock distribution, without bringing in any additional capital, to refrain from such acton for the present. It is suggested that a capital allotment to shareholders at a moderate figure would have been more in line with economy and the best interests of the company.

PAPER SHIPMENTS

How February Production Compared With Last Year's

From Our Own Correspondent.

MONTREAL.—In spite of the temptation of the publishers to hold off in the shipments of newsprint they are prepared to accept during the first three months of the year in anticipation of what they know now will be a substantial reduction for the next three months, the shipments of the Canadian mills for the month of February held up fairly well. The figures below compare the maximum of 1920 covering three months with those of the month of February, 1921. In the case of Abitibi for special reasons the shipments fell to 70 per cent. of last February, being just under 4,200 tons. Brompton produced 80 per cent. of its average of last year and shipped 81.7 per cent., Spanish River produced 11,350 tons in the month or 83.2 per cent. and shipped 82.2 per cent.; Price Bros. produced slightly over 6,000 tons and shipped 6,180 or 95.7 per cent. of last year's average; Laurentide produced 5,740 or 103.5 per cent. of last year's average and shipped 5,533 or 101 per cent.; and St. Maurice produced 2,377 and shipped 2,348 or 83.7 per cent.

RAILROAD EARNINGS

Earnings of the Canadian Pacific Railway for the second week of March amounted to $3,176,000 as compared with $3,130,000 for the corresponding period in the previous year, an increase of $46,000 or 1.4 per cent.

The Canadian National reports earnings amounting to $2,229,596, an increase of $604,111 or 37.1 per cent., while for the year to date the total is $21,211,031, an increase of $4,111,826 over the same period in 1920.

Earnings of the Grand Trunk for the second week amounting to $1,841,416, showed an increase of $87,732 or 5 per cent.

TRANSPORTATION COSTS PROBLEM FOR BUSINESS

Continued from page 1

ing the costs of all construction. The situation in this respect is beginning to show improvement. While the individual workers and the labor unions have so far successfully resisted any cut in wages, the efficiency of labor has increased very considerably. Illustrating the improvement a prominent contractor stated this week that whereas last year his workers laid on an average about 440 bricks a day, the average had now been in-to the Western Colonization Association and that this organization was now prepared to grapple with the problem of bringing in settlers and placing them on the land. At a special meeting of the directors held at Saskatoon the following officers were elected: Robert Hobson, of Hamilton, Ont., was elected president and chairman of the board; M. A. Brown, of Medicine Hat, Alta., vice-president and chairman of the executive committee, and Major-Gen. A. D. McRae, of Vancouver, managing director.

Mr. Beatty spoke from the fulness of the experience of the great corporation which has played such an important part in the upbuilding of Canada and the Canadian West in particular. He struck a strong note when he declared that we should exclude the undesirable immigrant by all means but admit those "who in time will contribute to this country's commercial prosperity and economic strength."

No Flood of Newcomers

In this connection the views of Mr. Beatty are in keeping with those recently expressed at Columbia University by Francis H. Sisson, vice-president of Guaranty Trust Company, who is well acquainted with conditions in Europe as well as those in America. In this connection Mr. Sisson said:

Statistics show that during the last thirty years the dwindling of immigration has been chiefly from the countries where economic stabilization was occurring most rapidly, such as the United Kingdom, Germany, and Scandinavia. And there is good reason to believe that immigration to the United States will decrease as the present economic stabilization of Europe proceeds. Already, in fact, there are evidences of this. The stabilization process is now beginning in those countries which of recent years have supplied most of our unskilled laborers—Czechoslovaks, Jugoslavs, Poles, Finns, and Armenians. A comparison of 1912-13 arrivals and departures with those of 1918-19-20 show that only one Bohemian is coming now, whereas forty-two arrived before the war; that three times as many Slovaks as arrive are going home; that only one Jugoslav to about 170 before the war is arriving; that seven times as many Poles are going home as are arriving; that, whereas before the war one out of every four Finnish arrivals returned to their native land, now fourteen out of fifteen do so; that Lithuanians have lessened their arrivals from tens of thousands to hundreds, and that Armenians are coming only at one-sixth of their pre-war rate.

There is also less incentive now than in the past for many foreigners to seek here an asylum from the atmosphere of a sick and ailing homeland in which their fullest achievement would be impossible.

Before we become unduly alarmed and close the gates entirely, let us consider that there are transportation facilities for the arrival of only one million immigrants a year, and arrivals since the armistice do not bear out the prophecy of any tidal wave of immigration.

Put Newcomers on Land

Immigrants for the development of the vacant lands of Western Canada should be encouraged to come to this country in the opinion of Mr. Crerar, who emphasizes this point as follows:

We wish to bring to Canada people who will go on the land, and cultivate the land, and produce off the land. We can get them. There are lots of them available who will come here, attracted by our cheap lands, and we want to give all the assistance possible, and we want to settle these people along the lines of the National Railways and create potential business for the roads. In the future, if we do that it seems to me—notwithstanding all I have said—we will face a period of years when we will have deficits, because our roads are yet largely in the nature of colonization roads. I am convinced that proceeding along the lines I have outlined will bring us within sight, at any rate, of the time when our railways will pay.

Undoubtedly there are few matters which demand more serious consideration at the moment than immigration. The Colonization Society may be able to do good work but the adoption of a live progressive policy by the Dominion Government is highly important.

ABITIBI'S DIVIDEND

The stock market seemed in a nervous condition in its estimate of the chances of Abitibi common retaining the full 6 per cent. dividend or losing part or all of it at the meeting of directors called for Monday of next week. It seems likely that the views of the Chicago bond house that is making the new $4,000,000 will decide this question.

AMES, HOLDEN McCREADY

Heavy Losses on Inventories—Good Prospects for Tire Plant

From Our Own Correspondent.

MONTREAL.—While the leather business of Ames, Holden, McCready, Limited has been very slow in developing, after the shutting down of the plant for some seven or eight months, it is learned that the Ames-Holden Tire Company is showing excellent prospects with an output that is readily sold of some 300 tires a day. In addition to this another subsidiary, which manufactures rubber footwear, is also finding a good market for its output and the Felt Company is also said to be doing well. The annual meeting will be held at the end of the present month but as already announced by the President all the earnings of the past year have been wiped out by the losses in inventory.

CONSOLIDATED SMELTERS

The Consolidated Mining and Smelting Company reports ore receipts at Trail Smelter for the second week of March amounting to 8,613 tons as compared with 3,844 tons for the corresponding period in 1920. For the year to date the receipts total 82,966 tons as against 61,228 tons last year.

A Lesson Well Learne[d]

THE trying war per[iod] proved that the publ[ic] could not starve their publ[ic] utilities and expect them [to] maintain efficient service.

For the welfare, conven[ience] and happiness of the peop[le], it became generally reco[g]nized that rates should b[e] such as would allow a fa[ir] return to investors. For [it] is only through the invest[ment] of capital that th[e] companies can keep pa[ce] with the demand for im[]proved and better service.

Public Utilities deal in a necessity for which th[e] demand is constantly grow[]ing. Their business is there[]fore upon a sound foundation and the situation in th[e] Public Utility field today [is] one that merits the utmost confidence.

NESBITT, THOMSO[N]
and Company, Limited
Bank of Hamilton Bldg., [illegible]
Montreal Hamilton London, [illegible]

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Canadian Woollens, Limited

Preference Shares Dividend No. 7

NOTICE is hereby given that a dividend of one and three-quarters per cent. (1¾%) has been declared on the PREFERRED STOCK of Canadian Woollens, Limited, for the quarter ending the 31st day of March, 1921, payable Friday, the 1st day of April, 1921, to Shareholders of record at the close of business, Friday, the 25th day of March, 1921.

By order of the Board,

WILLIAM TINKER,
Sec.-Treasurer.

Peterborough, Ont., March 15th, 1921.

The Spanish River Pulp & Paper Mills, Limited

Notice of Dividend on Common Stock

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Common Stock of The Spanish River Pulp & Paper Mills, Limited, has been declared for the quarter ending March 31st, 1921, payable April 15th, 1921, to shareholders of record at close of business March 31st, 1921.

By Order of the Board.

C.S. J. G. GIBSON,
Secretary.

Toronto, March 18th, 1921.

The Spanish River Pulp and Paper Mills, Ltd.

Notice of Dividend on Preferred Stock

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of The Spanish River Pulp and Paper Mills, Limited, has been declared for the quarter ending March 31st, 1921, to Shareholders of record at close of business March 31st, 1921, payable April 15th, 1921.

By Order of the Board.

P.S. J. G. GIBSON,
Secretary.

Toronto, March 18th, 1921.

Canadian Cottons, Limited

NOTICE is hereby given that a Quarterly Dividend of One and a Half per cent. (1½%) has been declared on the Preferred Shares of this Company, payable the 4th day of April, to Shareholders of record the 24th March.

Also that a Quarterly Dividend of Two per cent. (2%) has been declared on the Common Shares of this Company, payable the 4th day of April, to Shareholders of record the 24th March.

By order of the Board,

A. BRUCE,
Secretary-Treasurer.

Montreal, March 18th, 1921.

HOLT, RENFREW HIT BY SLUMP IN FUR INDUSTRY

Operating Profits Decreased From $403,592 to $171,592

SURPLUS OF $9,161

Heavy Cut in Inventory—Working Capital at $850,265—Reserve Fund Held Intact

From Our Own Correspondent.

MONTREAL. — The key to the second annual statement of Holt Renfrew & Co., Limited, which shows operating profits reduced from $403,592 to $171,592, lies in the remark of the president, Senator Lorne Webster, that allowance has been made in the inventory for "all possible fluctuations in the fur market." The severe slump in fur prices cut down very heavily the profits of this company, while the year's record at the four retail stores, Quebec, Montreal, Toronto and Winnipeg is declared to have been satisfactory. It is probable the amount of depreciation allowed in the inventory valuation more than accounts for the decline in the profits over those of the year ending Jan. 31, 1920. Here, too, it seems reasonable to believe, the statement as it stands shows the worst and lowest point, of the readjustment experiences of this company. From now on the fur business gives promise of gradual improvement. Deflation would seem to have proceeded as far as will be required of this industry.

The profit and loss account shows a balance available for dividends of $79,161 as compared with $308,973 one year ago, or $9,161 available for common dividends against $273,973 last year. However, as the president points out, the reserve for contingencies of $100,000 is still intact—indicating that the company has not had to take as great a loss in the slump as was anticipated, and very wisely, one year ago when this reserve was created.

The profit and loss account compares thus for the two years:

	1921	1920
Profits	$ 171,592	$ 403,592
Depreciation	2,611	43,912
Bond interest	13,500	7,875
Other int.	76,320	42,832
Balance	$ 79,161	$ 308,973
Pref. divid.	70,000	35,000
Avail. for com.	$ 9,161	$ 273,973
Prev. surplus	173,974	....
Adjust. for con.	....	100,000
P. & L. Bal.	$ 183,135	$ 173,973

The balance sheet shows inventories reduced to a valuation slightly below that of the previous year, but property up from $326,274 to $619,756, due mainly to the construction of a large fireproof cold storage building in Montreal. Bank loans are up from $580,000 to $850,000, net working capital, due to extensions, is down from $1,171,487 to $850,265. The items compare thus:

Working Capital

Current Assets—	1921	1920
Inventories	$1,440,592	$1,568,960
Trade acc. rec.	362,150	377,503
Other acc. rec.	55,760	68,574
Cash	56,632	71,267
War loans	....	22,850
	$1,915,134	$2,109,654
Current liabilities—		
Bank loans	$ 850,000	$ 580,000
Bills pay.	100,000	150,000
Acc. pay.	109,721	168,965
Accruals	5,148	4,898
Sundry loans	....	34,324
Total	$1,064,869	$ 938,167
Bal. work. cap.	$ 850,265	$1,171,487

PORTO RICO RAILWAY

Contemplates Further Development Work When Conditions Improve

Notwithstanding that operating expense continued abnormally high throughout 1920, gross and net earnings of the Porto Rico Railway Co. for the year 1920 showed a considerable improvement over the 1919 figures, President D. E. Thomson pointed out to shareholders at the annual meeting this week. The gross revenue had increased by 24.15 per cent., and the net by 34.38 per cent. After deducting interest, dividends on preferred stock and all sums transferred to reserve, the year's profits were equal to 7.2 per cent. on the common stock.

The company, the president pointed out, had bonds in the treasury but would not think of floating them under present financial conditions. When world conditions improved, there was plenty of development work, he added, which the company could undertake and which would give employment to any fresh money raised. The situation in Porto Rico was still confused, he pointed out. While wages were inclined to fall, and labor was more amenable, the fall in sugar prices had caused financial stringency and operating expenses remained high.

ALWAYS INSURE BONDS

Cost is Small for Protection That is Given

Bonds should not be sent through the mail without being insured, especially as the cost of such insurance is very small. Out-of-town investors wishing to send bonds to investment houses in another city for sale can insure them in two ways. They can take them to their local bank, who will undertake to deliver the bonds to their destination, registering and insuring them or they can notify the investment house that the bonds are being sent. The investment house will at once have them insured and deduct the cost of the insurance from the proceeds of sale. Insurance costs 10 cents per $1,000 worth of securities represented.

$200,000 BOND ISSUE NEW POWER COMPANY

Amalgamation of Two in Vicinity of Montreal— Yield of 8¼%.

From Our Own Correspondent.

MONTREAL.—A new power company made its appearance this week in the Western Quebec Power Company, Limited, as the result of the amalgamation of the North River Electric Company, Limited, and the Vaudreuil Electric Company, Limited. The former company secures its power from Carillon while the Vaudreuil Company purchases its power from the Cedar Rapids Manufacturing Company. The two systems at their nearest point were only two miles apart and are now being linked up so as to make one continuous system extending from Cedars to Grenville, giving the company some 100 miles of lines. The two systems form a half circle southwest of Montreal Island at an average distance of 40 miles from the city of Montreal. In connection with this amalgamation an issue of $200,000 of 6½ per cent. first mortgage sinking fund bonds is being made by Balfour, White & Company at 88.23 to give a yield of 8¼ per cent.

It is stated that an appraisal of the property shows replacement value of physical assets, exclusive of all franchises, goodwill, etc., to be $272,742. The bonds are secured by a first mortgage charge on all the assets of the company. It is stated that the combined earnings for the past two years have been sufficient to pay, in addition to operation, the entire bond interest on the present issue as well as the preferred dividend, and leave a substantial margin available for the common stock.

A BOND ISSUE FOR P. T. LEGARE, LIMITED

$1,200,000 Flotation for Quebec Implement and Furnishings Distributing House

From Our Own Correspondent.

MONTREAL.—An issue of $1,200,000 7 per cent. first mortgage bonds is being made by Versailles, Vidricaire & Boulais, Limited, in connection with the firm of P. T. Legare Company, Limited, of Quebec City, which is taking over the business of P. T. Legare, Limited, distributors of agricultural implements and housefurnishings. The history of this company goes back for fifty years to 1871, when the present head of the firm, P. T. Legare, joined his father in a small business of manufacturing agricultural implements and wagons. At the present time the business is a most extensive one, covering the entire province with 25 branches and 1,325 representatives. It is in the unique position of being associated, through the ownership of the partners, in the Percival Plow and Stove Company, of Merrickville, Ont., the Dominion Carriage Company, of Montreal, established in 1917, and the Legare Automobile & Supply Company, of Montreal.

The turnover of the P. T. Legare, Limited, last year exceeded $4,500,000, with net profits of $585,000, or over seven times the interest requirements on the new bond issue. The profits for the past five years have averaged four and two-fifths times the bond interest, and those of the past three years have averaged over five times the interest required. The company is in an unusually strong liquid position with net working capital of $1,790,188 and a surplus, after allowing for mortgage indebtedness of $91,900, of $3,203,987. This mortgage will be wiped out with part of the proceeds of the new issue, leaving it to rank as a first mortgage.

Canadian Pulp and Paper

The Essential Need of Industry

"People read newspapers, books, magazines and "placards which are printed on about three-"sevenths of all paper manufactured; they box "up articles in abcut one-fourth of it; wrap pur-"chases in about one-seventh; write and type-"write on one-eighth; put a trifle more than one-"twentieth into buildings and upon walls; and "use the remaining one-hundredth in sanitary "and miscellaneous ways."

—(U.S. GOV'T PUBLICATION.)

EVERY social or business activity depends on paper. Without it, modern life is unthinkable.

The rising curve of newsprint production is but one factor in establishing the permanent basis of the Canadian pulp and paper industry. Equally significant is the rapidly increasing demand for pulp and paper products—other than newsprint. In 1920 these totalled a value of over 44 million dollars.

The selling force of advertising is inseparably linked with the future of the paper industry. A tremendous and growing consumer of paper in itself, advertising brings in its train a largely increased consumption of pulp and paper products.

Modern merchandising methods are based on a trade-marked package as the universal unit of purchase. Advertising has taught the consumer to look for the maker's pledge on the package. The paper carton and wrapper, the fibre box, the paper bag, have displaced the wood or metal container because they save weight, freight and labor. Because they are cheaper and cleaner, their increasing popularity is swelling the market which only Canada's mills can adequately supply at low cost.

In the American market, the greatest users of cartons in the world, Canada's mills are today supplying one-third their consumption of paper and two-thirds their pulp requirements.

Here is a demand that, under normal conditions and stimulated by well-directed advertising, must necessarily expand with the growth of population, the spread of education and higher standards of comfort and convenience.

The future of the Canadian pulp and paper industry is so geared to the driving wheels of commerce, both in Canada and the United States, that the slightest acceleration will be at once reflected in the demand for its products.

GREENSHIELDS & CO.
Investment Bankers
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TORONTO OTTAWA

REDUCED PROFITS FOR DOMINION LINENS

Reserves are Strengthened — Inventories Higher and Bank Loans Reduced

The statement submitted to shareholders of the Dominion Linens, Limited, this week outlining the company's financial position at the close of the fiscal year, December 31 last, indicates that this company has not wholly escaped from the adverse influences of the unfavorable turn in trade during the later months of the year. Net profits for the year before providing for depreciation, etc., are somewhat lower, standing at $58,872, compared with $76,190 at the close of 1919. Including the balance carried forward of $49,594, there was available for distribution the sum of $108,466, compared with $112,507. During the year the sum of $34,500 was applied on dividends compared with $24,500, the additional $10,000 last year arising out of a distribution of a common stock bonus of 5 per cent. After all charges there is a balance of $35,169 compared with $49,594.

The profit and loss accounts for the past two years compare as follows:

	1920.	1919.
Profits	$ 58,872	$ 76,190
Balance forward	49,594	36,317
	$108,466	$112,507
Dividends	34,500	24,500
Written off	10,000	10,000
Dep. reserve	22,628	27,413
Res. doubtful accts.	1,167	1,000
Fed. tax reserve	5,000	.....
	$ 73,295	$ 62,913
Balance	$ 35,169	$ 49,594

The company's assets show an increase, according to the balance sheet, from $851,846 to $945,064. This increase is largely made up by the growth of inventories, which stood at the close of the year at $291,496 compared with $175,926. Real estate, plant, machinery and equipment show little change in value, being placed at $399,206 compared with $395,446. Trade marks and good will have been reduced by $5,000 to $80,000, while reserves have been considerably strengthened; the sum of $5,000 having been set aside for Federal taxes; $3,000 for bad debts; $20,000 for decline in inventory values, the same as for the previous year; and $182,942 for depreciation of capital assets, compared with $114,263. Bond holdings have increased from $10,850 to $21,272, while accounts and bills receivable show a decline from $96,500 to $38,366. Bank loans and advances are down from $50,200 to $30,000, while accounts and bills payable are considerably higher at $64,308, compared with $10,484.

PIG IRON PRODUCTION

The 1920 pig iron production of the United States was 36,925,987 tons as compared with 31,015,304 tons the preceding year, according to official statistics of the American Iron & Steel Institute, just announced.

Output in 1918 was 39,054,644 tons and in 1917, 38,621,216 tons. Production of 39,434,797 tons in 1916 was largest in history of the industry. Largest production in any pre-war year was in 1913 when output reached 30,966,152 tons.

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COAL

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1/12 lb. Package 15c
1/2 lb. Tin . 85c

More Tobacco for the Money

OFFER BONDS BUT TELL MEN PLANT IS LOSING MONEY

Clarke Brothers' Paradoxical Situation Leads Investor to Wonder

THE EXPLANATION

Letter to Employees Told of an Immediate Condition Common to All Industries—Future Outook

Asking for an opinion as to the investment value of Clarke Brothers Paper Mills, Limited, 7 per cent., fifteen-year first mortgage bonds, a reader of the FINANCIAL POST in the Maritime Provinces encloses a circular letter distributed to employees of Clarke Brothers, Limited, the senior company, which guarantees the bonds. The letter is signed by A. G. McIntyre, president of the company, and in the opinion of the Maritime reader the statements it contains about the company do not jibe with the statements made in the prospectus of the offering. In the prospectus the statement is made that:

"Their business is now earning sufficient to pay in each year the interest on outstanding bonds and the principal of the bonds maturing in that year, without the earnings from the new kraft pulp mill, now nearing completion."

As the kraft mill is not yet in operation it would seem that these profits and earnings are derived from lumber, clothespins and vessels, which are the only source of revenue until the pulp mills start. Yet in the circular letter to employees the company claims that these three operations are not paying at all.

No Orders Received

The circular states in part:

"Canada and the entire world is now going through a strenuous period of readjustment with unprecedented problems for individuals, companies and nations to meet. In this situation we feel that our employees should be closely in touch with our plans and with conditions as we find them in our particular line of business. The commodities which this company manufacture, particularly clothes pins and dowels, are at the present time, practically unsaleable. We have not had an order for a box of clothes pins in over six months.

"Soft wood lumber has not been profitable to manufacture for more than months and it is practically certain that this winter's operations of most lumber companies will be conducted at a loss.

"The little shipping business which the company conducts, was operated successfully during the last season, but freights have now dropped to a low figure, in which there is a very small return on the capital invested in vessels.

"The main enterprise of the company is, of course, the construction and operation of the new kraft pulp mill at Victoria Bridge. This mill, we have been told by experts who have visited our plant, is the most modern and best designed mill of its kind in America, and we have also been told it should be among the most economically constructed and operated. The kraft pulp market, however, has gone bad completely. Bathurst and Wayagamack, who will be our competitors for domestic pulp, are closed down flat and propose to remain so indefinitely. There has not been a sale of kraft pulp reported in some months.

"We are proposing to try, if possible, to continue our manufacturing and construction operations without curtailment, which means a tremendous financial burden, which so far as we know, is a burden no other company similarly situated, is attempting to carry.

"We are doing this for one reason only, and that is that we have continually told you that we propose to provide steady work at reasonable wages."

The Broader View

The answer that was sent to this reader by the FINANCIAL POST was as follows:

The 7 per cent. first mortgage bonds of Clarke Brothers Paper Mills, Ltd., with a bonus of 30 per cent. in common stock, would seem to be a very fair investment for a business man. The company appears to have good prospects ahead, and the parent company, Clarke Brothers, Ltd., has valuable assets sufficient to make its guarantee of the bonds count for something. The market for pulp and paper bonds is well maintained around an 8 per cent. basis at the present time. Clarke Brothers' yield only 7.25 per cent.—somewhat more so long as New York funds remain at their present level—but the difference is compensated for by the stock bonus. This feature makes the issue somewhat more speculative than other pulp and paper bond issues on the market at the present time. To people to whom safety of principal and assured yield is first consideration this feature would make the issue less attractive but to many business men it gives it an additional value.

"We have read over Mr. McIntyre's letter. It describes a situation at their Bear River plant that has prevailed in dozens of industries throughout the country. Orders were falling off, working capital was reduced, stocks were depreciating in value and wages were being cut; but that does not necessarily argue any fundamental weakness in Canadian industry. It is a condition of the readjustment of the economic situation. Taking the long range view of the pulp and paper industry in Canada is fundamentally sound, and Clarke Brothers Paper Mill should participate in the future prosperity of the industry.

"Consider, too, that Mr. McIntyre addressed his letters to the employees of the company. He wanted them to see the seriousness of th immediate situation."

WHOLESALE PRICES DOWN

Considerable Drop as Compared With a Year Ago

The Labor Gazette index number of wholesale prices for February was down to 270.01, as compared with 281.3 for January, 343.5 for February, 1920; 279.8 for February, 1919, and 136.6 for February, 1914.

There were in existence at some time or other during February 22 strikes, involving approximately 2,624 work people, and resulting in an estimated loss of 23,547 working days, as compared with 10 strikes, 964 working people, and 15,951 working days in the previous month, and 25 strikes, 2,345 work people and 30,920 working days in February, 1920.

POWER COMMISSION FACING BIG COSTS

Nova Scotia Board Must Pay Heavy Charges to Property Owners.

From Our Own Correspondent.

HALIFAX. — The Nova Scotia Power Commission, which is developing a hydro-electric system to be used mainly by the city of Halifax, is finding how much the enterprise may cost in addition to the direct expenditures on construction. THE FINANCIAL POST has already had a statement of the claims of landholders who seek damages. These were filed with the commission some time ago but, of course, were appealed from. The appeal is to the governor-in-council. The hearing of the claim of the old Halifax Power Company, which years ago began the development now being put through by the Nova Scotia Power Commission, which is another name for the provincial Government, is now on. The company claims $500,000. There is little doubt the Government will cut this down substantially but the old company must receive a considerable amount.

S. M. Brookfield has a large personal claim but that is included in the amount mentioned. After this is disposed of the claims of the score of other property owners whose lands are alleged to have been affected will come up for consideration.

The commission expects to have power at the outskirts of the city by the first of July, but nothing definite has yet been decided as to who shall receive this—the city direct or the Nova Scotia Tramways Company, which at present is operating a steam plant. The figure at which it is anticipated the power can be delivered by the commission is in the close vicinity of one cent per k.w. hour. The Nova Scotia Tramways Company is now developing power by steam at a cost of about 2¼ cents. The question to be solved is as to the distribution of the power.

PREFERRED ISSUE BY MARITIME TELEGRAPH

Now Offered at 93½—Was Held at Par Value a Year Ago

From Our Own Correspondent.

HALIFAX.—In order to meet current financing requirements the Maritime Telegraph and Telephone Company are offering exclusively to the shareholders $280,000 of the 7 per cent. preferred stock at 93½, which will yield a return of close on to 7½ per cent. A year ago this stock, of which this is the unsold balance, was offered at par. It was approved for issue in 1920 and then was $1,000,000. At that time $220,000 was sold at par. Of the remainder 50,000 shares were withdrawn by order of the Public Utilities Board and replaced by an issue of $500,000 refunding mortgage bonds, leaving the present balance of 28,000 shares to be issued.

The company states it has enjoyed a full year's service under the new schedule of rates and while these rates have not been sufficiently high to enable it to earn the full 8 per cent. on the value of its property as permitted by statute, they have made it possible to show a surplus for the year of $26,363, which is the best result so far obtained. With the expected reduction in expense during the coming year, due to decreasing cost of materials, the company hopes to be able to earn approximately the amount allowed by law.

DRYDEN PAPER CO.

In their Monthly Review Greenshields & Co. declare that the Dryden Paper Company, on whose behalf there was an issue last year of common stock, does not require any new financing. "The funds realized from the sale of common stock last fall have largely been retained in the treasury, where their purchasing power, as the result of falling commodity prices, is constantly increasing. While the slump in the market for the company's products has temporarily reduced earnings and caused the common stock to decline, in company with all common stocks, the general situation which this reflects will enable the company to secure greater value for its expenditures. The shareholders, we think, will eventually gain rather than lose by this in the long run. The completion of the extension of the sulphate pulp mill from 40 to 45 to 70 to 75 tons capacity, involving only about $200,000, has been practically completed, and represents the only extension work of importance so far carried out."

BRITISH AMERICAN OIL

In announcing the declaration of the usual quarterly dividend of 50 cents per share, being at the rate of 8 per cent. per annum, upon the stock of the British-American Oil Co., payable April 1, President S. R. Parsons, stated that it was gratifying to note that the recent activity in the stock of the company was due to the interest taken in it by permanent investors. Any profits that were made in the regular refining and marketing operations in both the east and west, outside of dividends, were kept in the business, he said, for proper development and expansion.

The stock was all common, he pointed out, without any prior securities in the way of bonds or preferred stock.

The company held large areas of prospective oil-producing properties at Fort Norman, and other points in the west where drilling was now going on. There was a speculative value attached to the stock for this reason, for should crude oil be found in commercial quantities this would add materially to the company's assets.

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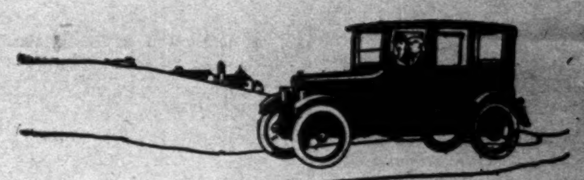

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GOLD MINING TO BOOM IN NORTH COMING SUMMER

Large Number of Companies Are Waiting Spring Break-up

SILVER AND NICKEL

Outlook Is Dark—International Has Made a Cut in Wages and Will Curtail Production

From Our Own Correspondent.

COBALT.—Visitors to the gold camps of Kirkland Lake and Porcupine state that a large number of companies are waiting with feverish impatience for the spring break-up, that they may be up and doing. Indications are that this year will be the greatest in the province's history in gold mining. The Kirkland Lake camp is about ready to go "big" and the early spring should see the sixth mill of the camp start.

In the Porcupine, there are several small companies ready to go. The Standard, V. N. T. and Schumacher, are three promising ones, but of course the big feature will be the rapid strides forward which the big producers of the camp expect to make. April 9th is the latest date on which the Hollinger expects to go ahead at full swing.

Silver and Nickel

The silver outlook remains the dark spot on the horizon but even Cobalt will speed up materially when the power situation improves, and certainly if the silver market comes around any better. In the nickel camp, the International Nickel Co. has announced a 15 per cent. cut in wages. At present, the workers on this property are going part time. On April 15th it is the intention to put the forces on full time and then weed them out until the production of the property is 25 per cent. of normal. This is an action anticipated for some time but was delayed until spring. The old employees of the company will be favored. The Mond is also going along slowly. The B. A. N. C. pumps are working. A denial of the report of your correspondent, to the effect that underground work was to be started, has been issued, but time will probably prove that the information was reliable. The B. A. N. C. will stage its big financial reorganization meeting at Toronto when the capital of the concern will be increased to $24,000,000.

Manager Agnew of the International Nickel, hopes that six months' time will see a big improvement for the industry. He points out however that the steel and auto industry must go ahead first.

Strike at La Rose

A rich silver strike was made last week at the University property of the La Rose. It is high grade and it is said that crowbars were used in prying loose large chunks of silver. It is not believed that the shoot, which is in the original stope, will be extensive.

The Penly-Cobalt Exploration with extensive holdings in the Gillies limit, will carry on considerable exploration work during the coming summer.

G. C. Bateman, of the La Rose, will also manage the Bailey. Manager J. F. Bourne, in charge of the latter property will resign on April 1st. Mr. Bourne has issued a writ against the Northern Customs Concentrator, taken over by the Bailey, for $12,449.

Teck-Hughes is now running its mill at capacity, around 125 tons daily. Good ore is being handled and costs are down. It is understood that bids for new machinery to increase the mill tonnage have been asked. The mine is not in good position as yet, however. It has made money of late, but the bond situation is not clear and the situation from the forfeiture of the property for non-payment of taxes has not as yet been cleared up with the department.

The Lake Shore development under the lake is going on and one and two veins should be cut on the 600 level shortly. Drifting on No. 2 vein on the 400 level is still in excellent ore.

The Wright Hargreaves is working on four levels. The plant is ready to run, but on account of the power situation, it was decided not to start active milling until the end of next month.

The Kitchener-Kirkland in the Goldfish Lake area is planning to broaden out its operations. There are a number of promising properties in this section. The LeBelle Kirkland is the most advanced and promising. When it closed down in 1916, there was said to be a large tonnage of ore developed.

The Ontario-Kirkland is ready to start on its mill, the sixth in the camp, as soon as the weather is right. It will be 100-ton capacity.

The King-Kirkland, about four miles from the Tough-Oakes, has started shaft sinking. Another Lebel Township property going ahead is the Lebel-Oro. The shaft is now down fifty feet.

GOLD MINING IN SUDBURY DISTRICT

Hudson Bay Mining and Development Company in New Venture

From Our Own Correspondent.

SUDBURY.—While Sudbury is looked upon by outsiders as an area limited to nickel-copper mining, there are many mining men in the district who have held the belief that there was every prospect that the district might also produce some good gold mines as well. With that end in view the Hudson Bay Mining and Development Company is being organized and financed by Sudbury business men. The organization is really a prospecting move, and it is the intention to carry out exploration work in close proximity to Sudbury.

The contention is set up that the geological conditions in various parts are ideal for gold. Running right through this district is a granite-porphyry contact. In the Wannapitae Lake area, north of here, gold has been found. While on the other side of Sudbury, Long Lake, Vermillion, Howery Creek, as well as the nickel mines, have all produced gold in various quantities.

KOOTENAY POWER FOR FRUIT VALLEYS

Electric Energy to be Important Factor in Agricultural Development

From Our Own Correspondent.

VICTORIA.—Negotiations are now in progress between the towns of Penticton, Summerland, Naramata and Kelowna, in the Okanagan Lake district, and the West Kootenay Power & Light Company to secure service by linking up with the company's system.

At a recent conference between representatives of the municipalities and Lorne Campbell, manager of the company, it was stated that a service could be installed by September or October for Penticton and that connections with the other places would follow immediately afterwards. Under this arrangement, it is stated, the municipality will be able to sell power to consumers at a cheaper rate than at present and at the same time net a profit.

Mr. Campbell stated that it would be possible for the company to supply ample power for irrigation pumping and predicted that if this service was availed of and the valley brought under cultivation as would then be possible an annual output of 15,000 carloads of fruit from the Okanagan Valley was well within the range of probability within the next fifteen years.

The company's plant at Bonnington Falls at present generates 40,000 horsepower, with 400,000 available. Changes in equipment shortly to be made will add 36,000 horsepower to the capacity. Penticton is 180 miles from the falls and Kelowna 210 miles. The radius that can be covered by the plant is set at 300 miles.

OSWALD BROS.' AFFAIRS

At a meeting of the creditors the financial position of the stock-broking firm of Oswald Brothers was reported as showing a deficit of $212,000. Total liabilities were $658,000, of which $493,000 is unsecured, with assets of $446,000. Gerald H. Bruce, former junior partner in the firm, to whose alleged defalcations its bankruptcy is claimed to be due, has not so far furnished any statement to the trustee.

MINING STOCK QUOTATIONS
Week ending March 22.

	High	Low	Close	Sales
Adanac	1⅞	1½	1½	5500
Apex	1⅝	..	..	1000
Bailey	3¼	3	3¼	1100
Beaver	38	37½	37½	3200
Cons. Smelt.	19	18	18	495
Coniagas...	2.00	1.85	1.85	710
Crown Res. .	17½	15¾	15¾	1100
Dome Ext. .	57	..	..	50
Dom. Mines	17.75	17.25	17.50	370
Gold Reef ..	3¾	3⅝	3¾	7000
Hargraves ..	1¼	..	..	1000
Hollinger .	6.80	6.70	6.80	4280
Hunton	10	9	9	4000
Keora	18½	15	16½	48400
Kirk Lake .	50	49	49½	4500
La Rose	21¼	19	19	3600
Lake Shore	1.16	1.15	1.16	900
McKin. Dar..	19½	17	17	2000
McIntyre ...	1.95	1.93	1.93	6945
Min. Corp. ..	90	..	..	1250
Moneta	11	..	..	2000
Newray	6⅝	6½	6⅝	1500
Nipissing ..	8.80	8.66	8.75	545
Ophir	1	..	..	500
Peter. Lake	7½	7	7	3000
Porc. Crown	20	..	..	1300
Shumacher .	25¼	24½	24½	4600
Teck Hughes	10	9½	10	7250
Timiskaming	27	..	..	1000
Thom. Krist	6½	6	6½	127500
V. N. T.	21	19	20	31400
Trethewey .	15¾	15	15	3500
West Dome .	7	6⅜	6½	7500
West Tree .	6¼	4½	6	21000
Skead	53	52	52	3700

NATIONAL FISH CO. IS IN LIQUIDATION

Lavish Expenditures on Plant Result in Unsound Financial Position

From Our Own Correspondent.

HALIFAX.—The assignment has been officially announced of the National Fish Company, Limited. It has been known for some weeks that this company was in straitened circumstances and there were hopes that it would be able to tide over its troubles, but this was found to be impossible and the assignment has just been made. During the war, it was known that Mr. Boutilier, who is the principal in the company, was some $300,000 to the good. But hard times have come to the fish business and the assets became so tied up that the demands for liquid returns could not be met. The company had put extraordinary amounts into plant and equipment. They built a large cold storage plant at the strait of Canso. Two steel trawlers were purchased in England and other amounts expended on capital account so that when the pinch came it was not possible to further finance the operations.

The liabilities will probably amount to $300,000. The assets are chiefly in the form of equipment which may not be readily realizable upon. The bank is a creditor to the extent of about $80,000, well secured. The Maritime Trust Corporation has a claim, but this is secured by a mortgage on one of the trawlers, on which they advanced $50,000, the amount of $20,000 having been paid off in the meantime. The meeting of creditors is called for about ten days hence. It is the story of too lavish expenditures on plant, so that when the slump came, as it now has, the liquid assets could not be found.

Germany's coal output in Ruhr region totaled 88,250,000 tons in 1920, an increase of 18,000,000 over 1919 and comparing with 114,550,000 in 1913. Increased production last year attributed to more stable labor conditions.

APPROVE PURCHASE PLANS

Canadian Associated Goldfields to Extend Holdings

Shareholders of the Canadian Associated Goldfields, Ltd., at a special meeting unanimously voted to purchase the assets and undertakings of the Associated Goldfields Mining Co., Ltd., Goldfields, Ltd., Harris-Maxwell Larder Lake Gold Mining Co., Ltd., and Tournenie (Old Indian) Mining Co., Ltd. At an earlier meeting the shareholders of Associated Goldfields Mining Co., Ltd., also voted to permit of the sale of their property to the Canadian Associated Goldfields, Ltd.

The directors pointed out that everything possible was being done at the mines to make the undertaking a success. It was stated that on the Harris-Maxwell property high-grade ore had been struck and that a lens, the extent of which is not yet known, was now being followed.

PORT HOPE SANITARY

Fred Armstrong, president of the Port Hope Sanitary Manufacturing Co., reiterated his belief at the annual meeting this week that the present year would witness a large volume of building throughout Canada. He, however, emphasized the importance of amicable relations between employer and employee. Only routine business was transacted at the meeting, and the former directors were re-elected as follows: L. M. Wood, R. J. Cluff, W. D. Ross, Fred Armstrong, M. L. Davies, Robert Fleming and W. J. Cluff.

Prosperity of German paper industry indicated by declaration of 20% dividend and 20% bonus by Hermann Schott Papierwarren A-G. and 20% dividend and 12% bonus by Vereinigte Bautzner Papierfabriken A-G.

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NEW STEEL MERGER WITH STOCK ISSUE OVER $10,000,000

Continued from page 1

year 1920 have been satisfactory." THE FINANCIAL POST was assured that the working capital as of Dec. 31, 1920, will not prove less than that of one year previous. The statement of the associated companies shows current assets of working capital of over $20,000,000 as follows:

Current assets	$34,375,999
Current liabilities	13,675,597
Bal. working capital	$20,700,402

This is given in detail as follows:

Working Capital

Current Assets—	
Cash	$1,574,220.54
Capital since called up	300,000.00
Call loans	1,449,404.20
Canadian and U.S. Bonds	3,872,105.49
Notes and accounts	11,792,169.50
Inventories of stores and supplies	15,388,099.59
	$34,375,999.32
Current Liabilities—	
Bank and other loans	$3,670,270.32
Notes payable	367,497.97
Accounts payable	7,702,679.57
Payments on contracts	1,935,150.00
	$13,675,597.86
Balance working capital	$20,700,402.00

Assets of $168,000,000

The funded debt of the consolidation as representing bonds and debenture stock of constituent companies amounts to $31,102,475. On the other side property valuation is $130,783,667 and investments $2,232,239, the surplus of assets over liabilities standing at $26,310,154. The total assets are set down as $168,736,285.

Reference is made in this circular to the affiliations of the directors of the various companies, Mr. Wolvin, for instance, being a shareholder in Nova Scotia and Halifax Shipyards, and so on. Special meetings of all three companies' shareholders are being called to ratify the proposed agreements.

Working Capital Less in Original

In the original merger plans the balance sheet showed current liabilities of $30,469,791 and current assets of $74,714,959, or working capital of $44,245,000, but this included $25,000,000 to be supplied by British capital, leaving net of $19,000,000.

Advantages Set Forth

In referring to advantages to be secured by the merger the president of Dominion Steel Corporation, R. M. Wolvin, who, it is presumed, will be at the head of the British Empire Steel Corporation, says:

Your Directors consider that the advantages of an alliance between the two senior and principal companies are so well known and appreciated that it is unnecessary to present them formally to the shareholders in this circular.

The inclusion of the Halifax Shipyards, Limited, another Nova Scotia enterprise, would appear to be a logical outcome of its situation on the Eastern Atlantic seaboard, and will provide an important outlet for the products of the Dominion Corporation and the Scotia Company. Halifax is admirably situated as a relief port for vessels which become disabled on the North Atlantic. During the last two years the Company's slipways at Dartmouth hauled out 895 vessels of all classes, and repair were executed on 294 ships at Halifax Graving Docks. At present two 10,500-ton vessels are in course of construction.

The various stocks to be issued compare with the original merger plans as follows:

The Former and the Latter.

	New merger	Old merger
8% cum, pref.	In treasury	$ 25,000,000
7% cum. pref.	$ 19,950,000	36,250,000
7% cum. 2nd pfd.	57,350,000	56,782,815
7% non-cum.	None	13,500,000
Com. stock	24,450,000	67,000,000
	$101,750,000	$198,532,815

HYDRO SCHEME FAILS

Great Lakes Paper Co. Not Required to Use Hydro-Electric Power

The attempt of Attorney-General Raney of the Ontario Government to compel the Great Lakes Pulp and Paper Company to use power from the Ontario Hydro Power Commission has failed. Mr. Justice Rose has dismissed the suit of the Attorney-General for a declaration that the paper company be required to take power from this source, and for an injunction restraining the company from obtaining electrical energy elsewhere. Sir Adam Beck, discussing the decision, stated that it would probably have very little effect. The company had been given the right to certain timber limits on the condition that it constructed a 200-ton mill, which it had not done. He further understood that the Kaministiquia Power Company had disposed of its entire output of electrical energy, and for that reason the Great Lakes Company would have eventually to turn to the Hydro Power Commission for power.

The Nipigon plant, Sir Adam stated, was now distributing 10,000 horsepower, and another 15,000 horsepower would be available in a few days.

STOCK MARKETS CONTINUE DULL AND DEPRESSED

Continued from page 1

must of necessity precede lowering of freight charges.

For these reasons, therefore, the development upon the stock markets is delayed. Closely allied is another factor which is also retarding progress, the unwillingness of the banks to loan money for investment purposes. There is plenty of money available for government and municipal bonds, but the banks look with apprehension upon the security offered by the industrial stocks and are curtailing their loans on these offerings.

Stocks are now selling at as low or even lower levels than were reached during the bear drive at the close of the past year. The gains acquired during the rally in January last have been more than dissipated. Stocks are dragging along and without any stimulating force in sight continue to suffer losses of a minor degree. While there is little probability of such an aggressive market as materialized a year ago there is little doubt that a fair trading market will develop. There are undoubtedly many exceptional "buys" on the market at the present time, which are overlooked because of the lack of public confidence ever displayed at a time of uncertainty.

OAKOAL'S LIABILITIES

Some 3,000 shareholders are affected by the collapse of the Oakoal (Canada) Co., Ltd. Liquidator P. C. Clarkson has issued a statement outlining the company's position, which indicates that assets total $183,916 against liabilities of $582,262. Liabilities are divided as follows: To trade creditors, $121,652; of which $14,609 is secured and $5,498 ranks as preferred, the balance of $455,-610 being due to shareholders.

MONEY BANKING AND EXCHANGE

CONTRACTION OF CURRENT LOANS DISCONTINUED

Small Increase Noted in February Bank Report

SAVINGS STILL HIGHER

A More Sound Industrial and Commercial Situation is Now Being Indicated in Canada.

The process of deflation indicated by the reduction of current loans in Canada by the Canadian banks of more than $150,000,000 between the 1st of October and the end of January was not further continued during February, the bank statement for February showing an increase of about $1,750,000—the total being $1,266,000,000. At the same time there was a further small increase of $5,760,000 in savings deposits. Altogether a more stabilized state of industry and trade is indicated. During February last year current loans increased $30,000,000 and savings deposits about $24,000,000. As compared with a year ago current loans are only $9,200,000 greater, while savings deposits are up nearly $132,000,000. This has enabled large reductions of the advances to the banks by the Government under the rediscounting arrangement of the War Measures Act, but the preliminary figures for February do not indicate the further contraction in this account during that month. The total at the end of January was $127,000,000 lower than at the same time in 1920. Following figures show trend of current loans and savings:

1920.	Current Loans	Sav. Deposits.
January	$1,226,696,963	$1,163,297,037
February	1,257,015,902	1,187,027,307
March	1,322,267,030	1,197,719,570
April	1,347,238,230	1,209,573,990
May	1,349,079,981	1,229,073,515
June	1,365,151,083	1,243,700,977
July	1,377,276,853	1,253,170,443
August	1,385,470,153	1,261,647,732
September	1,417,520,756	1,270,194,097
October	1,405,401,227	1,271,275,751
November	1,357,973,118	1,292,009,008
December	1,301,804,302	1,293,007,488
1921.		
January	1,264,490,463	1,313,093,870
February	1,266,253,381	1,318,855,482

Generally speaking, the changes in the February statement are not important. Demand deposits showed a reduction of about $22,500,000. Call loans in Canada were slightly higher but call loans abroad were reduced by nearly $1,500,000. Current loans outside Canada were reduced by over $10,000,000, but deposits outside Canada were cut by nearly $13,000,000. Deposits outside Canada are still over $300,000,000, however, as compared with current loans of $190,000,000.

CHILDREN AND THE BANK

Chicago Bank Regards Them as Important as Grown-ups.

"Bankers' Monthly.

This is the day of obeisance to the humble "jitney" and the proletarian dime. Witness Wrigley and Woolworth. But banks! Yes—they are bidding for them. Welcome children, come in and get treated just as importantly as if you were grown up. There's an irresistible appeal. A Chicago bank is capitalizing the idea. Its Juvenile Department opens accounts for a few cents a week. When the deposit reaches one dollar, the patron's pass card is replaced with a real pass book. Faced with that, what parents will not stand and deliver? Schools have been solicited with good results, and the officers plan to use other means of reaching the children and getting them to become depositors under this system. The bank is located in the centre of a large foreign speaking district. As the child is usually the only English-speaking member of the family, a good per cent. of the foreigners' accounts are those of parents for whom the child interprets, serving in a capacity not entrusted to a friend or neighbor. The value of having the child as a friend of the bank lies in its possible results of new business.

EXCHANGE MARKETS

Movements for the Week Within Narrow Range

The exchange markets were devoid of unusual incident during the week, the fluctuations being within narrow range. Sterling was slightly firmer, moving up from $3.90⅜ to $3.91¼. Francs were steady, while New York funds moved down from 14⅝ to 13 17-32. The following are the fluctuations for the week:

New York Funds

March 17.—New York funds moved narrowly, sales at 14 5-8, 14 11-16, 14 21-32, 14 5-8 at close.

March 18.—Opened heavy at 14 1-2. Sales at 14 7-16, 14 3-8, 14 1-2, 14 3-8, 14 5-16 at close.

March 19.—Sales at 14 1-8 and 14 1-32.

March 21.—Opening sale at 13 13-16; additional transactions at 13 5-8, 13 1-2 and 13 3-4 at close.

March 22.—Funds in demand at 13 13-16; sales also at 13 7-8, 13 3-4, 13 13-16, 13 3-4 at close.

March 23.—Opened at 13 3-4 to 13 13-16. Sales at 13 7-16 and up to 13 17-32 at close.

Sterling and Francs

	Sterling		Francs	
	Demands	Cables	Demands	Cables
March 17	$3.90⅜	$3.91⅛	14.42	14.40
March 18	3.90¼	3.91	14.36	14.34
March 19	3.91¼	3.92	14.42	14.40
March 21	3.91½	3.92¼	14.33	14.31
March 22	3.90½	3.91½	14.36	14.34
March 23	3.91¼	3.92	14.35	14.33

Rate of exchange fixed by Board of Railway Commissioners for shipments of freight between Canada and the United States for period, March 15 to 31 inclusive, at 14½ per cent.

CANADA'S POSITION

Set Out by Statistics in Annual Report Booklet of Union Bank

The annual booklet of the Union Bank of Canada, in addition to incorporating the bank's fifty-sixth annual report, features statistical tables that treat of Canada's present economic situation. These give the business man at a glance a clear conception of Canada's financial position, the value and volume of the country's crops, the extent and character of our foreign trade, population data with significant comparisons and an immediate idea of the primary production. This booklet is being given an extensive distribution in the United States and abroad.

UNION

A. E. Ivey of the Melita branch of the Union Bank, has been appointed manager of the Canora branch of the bank.

MERCHANTS

At a recent meeting of the board of directors of the Merchants Bank, F. Howard Wilson was appointed vice-president of the bank in place of Andrew J. Dawes, deceased.

MONTREAL

The Bank of Montreal announces the following appointments of managers: T. Y. Love, manager at Raymond, as manager at High River; H. C. Francis, manager at Medicine Hat, as manager at Lethbridge; J. S. Jones, manager at High River, as manager at Medicine Hat; C. P. Colville, as manager at Prince Albert; M. E. Jensen, as acting manager at Punnicky; W. T. R. Henderson, as acting manager at Raymond; F. Merrett, as manager at Schreiber; E. A. Moore, manager at Prince Albert, as manager at Thorold.

Weekly Bank Clearings

(In comparison with same week last year.)

Eastern Cities

	Mar. 17, 1921	Change	%
Montreal	$ 95,505,180—	$ 29,508,429	23.6
Toronto	89,378,557—	10,390,988	10.4
Ottawa	7,062,519—	1,361,270	16.1
Hamilton	5,744,080—	1,535,822	21.0
Halifax	3,052,730—	1,269,725	29.3
Quebec	5,776,516+	1,341,339	30.2
London	2,893,297—	267,655	8.4
St. John	2,619,568—	925,903	20.4
Windsor	2,698,957—	468,199	14.7
Brantford	1,090,462—	126,336	10.3
Sherbrooke	1,209,206+	272,801	29.1
Peterboro	877,563+	30,582	3.6
Kitchener	795,125—	319,363	28.6
Total, East	$218,703,760—	$ 44,528,968	16.9
Moncton	1,168,420	....	....

Western Cities.

	Mar. 17, 1921	Change	%
Winnipeg	$ 40,503,485—	$ 129,128	.3
Vancouver	13,078,233—	2,542,638	16.2
Calgary	8,111,861+	2,125,451	35.5
Edmonton	4,143,489—	1,333,552	24.3
Regina	3,824,514+	16,397	.4
Victoria	2,467,905—	243,121	8.9
Saskatoon	1,771,473—	101,629	5.4
Moose Jaw	1,306,378—	125,864	8.7
Fort William	767,796+	34,008	4.6
Brandon	594,263—	56,240	8.6
Lethbridge	637,165—	238,652	27.2
N. Westminster	559,231—	87,071	13.4
Prince Albert	314,107—	130,933	29.4
Total West.	$ 78,079,894—	$ 2,812,972	3.4
Grand total	$296,783,654—	$ 47,341,940	13.7
Medicine Hat	342,800	....	....
Yr. to date	$3,651,279,720—	$209,431,859	5.4

BANK HAMILTON ADDED LARGELY TO ITS REVENUE

Total Amount Equal to Stock After New Issue

CURRENT LOANS UP

Increase of over $5,000,000 as Compared With Year Ago Despite Contraction of Commercial Credits

Profits of the Bank of Hamilton for the year ending February showed an increase from $847,105 to $888,019, as compared with the previous year and $571,226 for the period ending in 1919. In addition there was $499,110 available from premiums on new stock and after the payment of dividends of 12 per cent. and a bonus of 1 per cent. and allowing for taxes, pensions, etc., $649,110 was added to reserve, while the balance was increased from $85,249 to $139,265. Comparative figures follow:

	1920	1919
Bal. forward	$ 85,249	$ 85,114
Profits	888,019	847,105
Prem. on stock	499,110	500,000
	$1,472,378	$1,432,219
Dividends	$ 598,569	$ 469,184
Pension	20,434	40,318
Taxes	65,000	37,468
Premises	.....	100,000
Reserve	649,110	700,000
Balance	139,265	85,249
	$1,472,378	$1,432,219

Earnings on capital and investment were hardly as large as in the previous year owing to the increased total involved. Figures of the company's earnings record since before the war follow:

	Earnings	Div.	% Earn. on Cap.	*% on Invest.
1920	$888,019	12+1	19.3	9.3
1919	847,105	12	21.1	10.2
1918	571,226	12	19.0	8.7
†1917	598,522	12	19.9	9.2
1916	442,525	12	14.7	6.8
1915	424,274	12	14.4	6.2
1914	485,265	12	16.5	7.9
1913	498,273	12	16.6	7.3

*Per cent. earned on the balance brought forward, rest and capital represent the shareholders' funds.

†For fifteen months.

The bank's capital during the year was increased from $4,000,000 to $4,998,220 and the reserve brought up to $4,849,110, or almost equal. It was no doubt this strong position and the fact that it was not considered necessary to further adjust the premises account that enabled the declaration of the bonus.

Current Loans Up

Despite the tendency to contract current loans in recent months the balance sheet shows an increase of over $5,000,000 in this account during the year, this being reflected in declines in gold reserve, call loans and holdings of public securities. Total assets were higher by $1,200,000 for which capital increases were responsible as the increase of over $5,500,000 in savings deposits was more than counterbalanced by a decrease of about $5,700,000 in demand deposits. Following are comparative figures from the balance sheet:

Immediately Available Assets.

	1920	1919	Change
Specie	$ 924,581	$ 929,036—	$ 4,455
Dom. notes	8,198,111	8,236,369—	38,258
Nt. cir. dep.	225,000	200,000+	25,000
Notes, bk.	645,058	616,659+	28,399
Bank bal.	168,185	663,515—	495,330
Do., abd.	890,065	790,993+	99,072
Gov. secs.	2,452,798	2,427,615+	25,183
Cheques	2,701,697	2,925,419—	223,722
Gold res.	500,000	1,750,000—	1,250,000
Other Assets.			
Pub. sec.	$ 6,018,118	$ 7,485,827—	$1,467,709
Other sec.	416,135	472,317—	56,182
Call loans	6,686,446	8,169,905—	1,483,459
Current	50,416,647	45,318,139+	5,098,508
Over. debts.	206,563	171,097+	35,466
Lets. of cred.	456,802	301,047+	155,755
Real estate	691,078	355,626+	335,452
Premises	3,104,766	2,808,262+	296,504
Other assets	646,453	512,283+	134,170
	$68,648,008	$65,594,503+	$3,048,505
Total assets	$85,348,503	$84,134,109+	$1,214,394
Liabilities to Public.			
Circulation	$ 5,493,276	$ 5,941,901—	$ 448,525
Dem. dep.	17,996,910	23,692,538—	5,695,628
Savings	50,528,661	44,973,168+	5,555,493
Due banks	47,270	144,691—	97,421
Due else.	663,967	678,292—	9,325
Acceptances.	456,802	301,047+	155,755
	$75,186,986	$75,726,637—	$ 539,651
To Shareholders			
Capital	$ 4,998,220	$ 4,000,000+	$ 998,220
Reserve	4,849,110	4,200,000+	649,110
Dividends	174,922	122,223+	52,699
Balance	139,265	85,249+	54,016
	$10,161,517	$ 8,407,472+	1,754,045
Total liab.	$85,348,503	$84,134,109+	$1,214,394

ROYAL

J. H. Edsall, of the supervisor's department, is acting manager of the new Barrington Street branch of the Royal Bank, Halifax.

A. H. Clark of the Stonewall branch, has been transferred to the Shoal Lake branch.

FEBRUARY BANK STATEMENT

ASSETS

	Feb., 1921	Jan., 1921	Change	Feb., 1920	Change in yr.
Specie	$ 81,648,153	$ 85,118,010—	$ 3,469,857	$ 80,980,212+	$ 667,941
Dom. notes	185,009,848	186,589,527—	1,579,679	182,588,067+	2,421,781
Can. call	112,680,497	112,474,318+	206,179	127,251,919—	4,571,422
Call lns. abd.	190,413,527	191,854,003—	1,440,476	184,469,882+	5,943,645
Current	1,266,235,381	1,264,490,463+	1,744,918	1,257,015,902+	9,219,479
Loans abd.	163,044,467	173,379,729—	10,335,262	180,711,238—	17,666,771
Gold res.	88,402,533	89,702,533—	1,300,000	104,450,000—	16,047,467
Total assets	$2,912,047,332	$2,926,867,072—	$14,819,740	$2,932,497,389—	$20,450,057

LIABILITIES

	Feb., 1921	Jan., 1921	Change	Feb., 1920	Change in yr.
Circulation	$ 207,417,917	$ 206,175,821+	$ 1,242,096	$ 223,377,781—	$15,959,864
Dem. dep.	561,578,474	584,025,710—	22,447,236	620,069,555—	58,491,081
Savings	1,318,855,482	1,313,093,870+	5,761,612	1,187,027,307+	131,828,175
Foreign	305,778,387	318,622,947—	12,844,560	277,478,631+	28,299,756
Total liab.	$2,627,016,447	$2,642,380,435—	$15,363,988	$2,662,332,348—	$35,315,901

THE NATIONAL CITY COMPANY
NATIONAL CITY BANK BUILDING
NEW YORK

We direct the attention of investors to this exceptional offering of Bonds.

To Yield

$ 7,000 Province of Alberta 6% Bonds due 1st of May, 1930. Interest (1st of May and 1st of November) at 98.93 .... 6.15%

$ 5,000 Province of Ontario 6% Bonds due 1st of February, 1941. Interest (1st of February and 1st of August) at 100 .... 6.00%

$ 6,000 Province of Saskatchewan 6% Bonds due 1st of February, 1936. Interest (1st of February and 1st of August) at 99.... 6.10%

$14,000 City of Hamilton, Ontario, 5% Bonds due 1st of November, 1921. Interest (1st of May and 1st of November) at 99½..

The National City Company
Limited
Canadian Head Office:
74 Notre Dame Street West, Montreal.
10 King St. East, Toronto, Ont.
McCurdy Building, Halifax, N. S.

THG

We Own and Offer

To Yield

£1400—Duluth, Winnipeg & Pacific Ry., 4% Bonds, due 1939, at 65.........7.50%

£3300—*G.T.P. 4% Bonds, due 1955 (Dom. Gov. Obl.), at 65 ....6.60%

£800—*Calgary Power 5% Bonds, due 1940, at 73..7.70%

$2000—*Abitibi Power 6% Bonds, due 1929, at 91½ 7.40%

£2900—City Edmonton 4½% Bonds, due 1932, at 81..7.00%

£1300—City Edmonton 4½% Bonds, due 1950, at 69¾ 6.90%

£1400—City Edmonton 5% Bonds, due 1933, at 84¼ 6.90%

£1000—City Edmonton 5% Bonds, due 1953, at 75½ 6.90%

£300—City Edmonton 4½% Bonds, due 1931, at 81¾ 7.00%

£1800—City Edmonton 4½% Bonds, due 1952, at 69¼ 6.90%

£1000—Prov. Manitoba 4% Reg. Stock, due 1950, at 72½ 6.00%

£700—*Can. Northern Ry. 4% Bonds, due 1930 (Man. Guar.), at 86...6.00%

£500—Calgary 5% Bonds, due 1943, at 80.........6.75%

*Payable in New York.

Truax, Higgins Co.
Investment Bankers
17 St. John St. Main 3618
Montreal

BWC

A First Grade Public Utility Bond to Yield 8¼%

This is a 6½% First Mortgage Bond, due 1931, payable principal and interest in American Funds.

We recommend these Bonds as a thoroughly sound investment.

Price and particulars on application.

BALFOUR, WHITE & COMPANY
Investment Bankers
136 St. James St., Montreal
Telephone: Main 1516-1517

Dominion Steel Corporation, Limited

NOTICE OF PREFERENCE SHARE DIVIDEND NO. 37

A QUARTERLY Dividend of One and One-half per cent. on the Preference Shares of the Dominion Steel Corporation, Limited, has been declared, payable 1st May, 1921, to Shareholders of record on 15th April, 1921.

The Transfer Books will be closed from 16th April to 1st May, 1921, both days inclusive.

By order of the Board of Directors.

C. S. CAMERON,
Secretary.

Montreal, March 21st, 1921.

GOODWIN'S LIMITED

NOTICE OF DIVIDEND

A DIVIDEND of 1¾% (One and Three-quarters per cent.) on the Preferred Capital Stock of Goodwin's Limited, has been declared for the Quarter ending March 31st, 1921, payable April 1st, to Shareholders of record March 21st, 1921.

By order of the Board,

C. H. McLEAN,
Secretary.

Montreal, 16th March, 1921.

NEWS AND VIEWS FOR MANAGERS

WILL WAR TIME REDISCOUNTING BE CONTINUED?

Bankers Discuss Permanent Advantages of The System

ADVANCES NOW LOW

Contraction of Current Loans Has Enabled Banks to Greatly Reduce Obligations to Government

There is considerable difference of opinion on the part of bankers as to the merits and demerits of the system of rediscounting employed in Canada under the War Measures Act, by which the banks increased available capital through government legals issued against certain securities. These advances have been regularly reduced since the peak of the current loans last fall. In some quarters in bank circles the opinion is held that this should be continued until the advances are entirely paid up and then the system discontinued—in fact some banks have never taken advantage of the special legislation. On the other hand there are those who hold that the privilege of rediscounting might very well be made permanent.—J. W. T.

The anticipated tinkering with American banking laws by the new administration at Washington—particularly as applied to the Federal Reserve system which from time to time experiences broadsides of criticism—has brought to the immediate attention of many Americans the "safe and efficient" rediscounting system which the Dominion continues to enjoy under the emergency credit system which continues in Canada.

"The Canadian banking system has negotiated creditably the trying period since the latter part of 1914, and is now a much more efficient agency for national development even than it was in ante-bellum days," declares the New York Tribune, continuing, "As a result of war experience the Dominion treasury stands in relationship to the Canadian banks as an emergency rediscount bureau remotely comparable in this one respect to the Federal Reserve Board of the United States."

The question of the continuance of what is still regarded solely as an emergency measure — having come into being with the Finance Act of 1914—crops up every now and then when deflation is considered in this country. Sir John Aird, general manager of the Canadian Bank of Commerce, recently gave it as his opinion that while the Finance Act of 1914 was primarily a war measure the principles which it embodies might well serve in peace times. John Galt, president of the Union Bank of Canada, recently stated that the privileges of rediscount with the Dominion Government proved of the greatest service. Mr. Galt says, "It has enabled Canadian banks to take care of the country's trade throughout the period when high prices involved the employment of a vastly greater amount of capital than formerly and to finance all legitimate requirements."

Continuance as Peace Measure

According to Mr. Galt the Canadian banks have not abused the rediscounting privileges and he is of the opinion that if the war measure is continued it "would afford all the necessary financial elasticity for periods of expansion and would be quite the equivalent of the Federal Reserve Bank system now in existence in the United States. The close scrutiny by the Department of Finance of the collateral submitted provides an ample measure of safety."

Canadian bankers are not, however, availing themselves of the governmental rediscounts as freely as they did last year or the year before, mainly, no doubt, because the larger need does not now exist. General business conditions no doubt are largely responsible. The Government bank return for January, 1921, shows "balances due to Dominion Government, after deducting advances for credits, pay lists, etc.," to the amount of $87,400,000. This is the smallest amount shown in this column of the bank return since September, 1916. A very considerable portion of this total is regarded as representing rediscounts with the Department of Finance.

It will be seen from these figures that invariably the peak point is reached in the late fall. Totals of $358,300,000 are shown for November, 1919, and $388,900,000 for November, 1918, the latter being the highest figure ever reported. Unquestionably this position of the banks is a reflection of the crop movement, bearing out H. B. Shaw, general manager of the Union Bank of Canada, who recently remarked that the rediscounting privilege was used in large measure to assist farmers and ranchers. "The Minister of Finance is to be strongly endorsed for taking the position that the legitimate needs of the country must be financed over a difficult period, even though it meant further inflation of a temporary character," declared Mr. Shaw.

Banks Conservative

Analyzing the Canadian banking position and the rediscount figures at the close of last year the New York Tribune says, "It is apparent that the banks have been conservative in availing themselves of the privileges of rediscount." In this connection the explanation is offered that the December total was very much lower than in any month of 1920 by reason of the repayments from the British Government on account of credits extended by the Canadian banks which totalled last summer as much as $200,000,000. When these credits became due the British Government paid $50,000,000 on account and the banks agreed to renew the balance of the loan on the understanding that the Dominion Government would allow them to finance against the treasury (by rediscounts) to the amount of the loan still unpaid.

It is known that further substantial reductions have been made since the commencement of the year, the January figures giving evidence of this; a $21,500,000 reduction between December 31 and January 31 was to be attributed otherwise than solely to repayments through crop returns.

Many Canadian bankers look to a return to normal current balances, with only seasonal fluctuations within the current year.

"DUE GOVERNMENT" BALANCES

	1920	1919	1918	1917	1917	1916
Jan.	$217,000,000	$236,100,000	$106,400,000	$33,000,000	$33,000,000	$64,400,000
Feb.	224,500,000	238,200,000	69,400,000	49,000,000	49,000,000	48,400,000
Mar.	262,300,000	228,200,000	89,600,000	45,900,000	45,900,000	22,200,000
Apr.	261,000,000	188,100,000	94,700,000	93,700,000	93,700,000	24,600,000
May	216,100,000	113,800,000	117,600,000	58,000,000	58,000,000	4,500,000
June	183,900,000	128,800,000	86,400,000	29,200,000	29,200,000	24,500,000
July	170,100,000	140,500,000	87,300,000	21,700,000	21,700,000	8,300,000
Aug.	153,300,000	100,600,000	85,300,000	25,200,000	25,200,000	11,100,000
Sept.	156,400,000	110,200,000	97,300,000	19,800,000	19,800,000	24,800,000
Oct.	160,100,000	121,000,000	116,300,000	52,000,000	62,000,000	40,900,000
Nov.	136,100,000	350,300,000	388,900,000	71,000,000	71,000,000	44,300,000
Dec.	118,900,000	224,900,000	254,900,000	65,900,000	65,900,000	24,600,000

DAKOTA A LESSON FOR MANITOBA

The Wall Street Journal Does Not Think Mistakes Will Be Repeated

Believing that the developments in connection with the state banking system of North Dakota have been such as to provide a striking object lesson as to the weakness of such socialistic ventures in the field of finance, the Wall Street Journal thinks that Manitoba will be saved from any danger of making such a mistake. The argument is that the Government cannot conduct a banking business on a more favorable basis than a private institution:

There is a remarkable similarity of racial and economic environment, of rural, exemption and all sorts of law and of social structure between Manitoba and North Dakota. Manitoba has one protection her luckless neighbor lacks. She has an urban population equal to any political emergency.

Manitoba has now what North Dakota is sorry she ever thought of—a state-owned (provincial) banking system, semi-detached from the Provincial Treasury, based on the strange economic device of borrowing from depositors money at the highest possible rate consistent with apparent safety, and lending it out at the lowest possible rate to the members of local rural credit societies and farm loan associations.

Sitting at the feet of the dead but unburied North Dakota corpse, Manitoba can absorb more lessons than one. It would be as true in Threadneedle Street as at Winnipeg, but less painful, that if private bankers under rigorous Government control cannot lend money at 6 per cent. neither can the Government, even with a seemingly bottomless Consolidated Revenue Fund and without effective control of that department which does the "banking."

Another funeral moral, available from any field of experience, is the by no means singular fact that if an inspected private banker cannot make a profitable turnover on deposits bearing 4 and 4½ per cent. interest, neither can an uninspected Government bureau. On each side of the account, borrowing at a subnormal statutory rate or from a subsidized depositor, and lending at a profitless rate, the matter becomes merely a problem of operating cost.

Happily the Manitoba business is still small and not a little ridiculous. Long before it swells to the demoniac size and fury of its North Dakota neighbor, it

VANISHING INK USED BY CROOK WITH SUCCESS

Mutt and Jeff Stunt Netted $17,000 at Montreal

REGARD PROTECTION

Bankers are Endeavoring To Work out Some Scheme to Protect Themselves From Loss by Fake Acceptances

Some weeks ago readers of the comic strips were regaled by the experiences of Mutt and Jeff and a check written with vanishing ink. Not long thereafter three banks in Montreal were swindled out of $17,000 by this method. This may be only a coincidence but the writer of the attached article, who has had a long banking experience, says that Bud Fisher first brought the idea to his attention. This swindle has followed others in which private acceptance stamps have been used. The question of protection against raised accepted checks is, therefore, a live one. Some suggested methods are mentioned in this article. Managers are invited to submit others.—J. W. T.

Recently in Montreal a clever crook swindled three of the banks to the extent of $17,000 by a new variation of an old trick. He appears to have opened savings accounts in three banks and after operating them for a time, one day presented a cheque to each for acceptance. The cheques were accepted and the bank acceptance stamp placed on them with the ledgerkeeper's initials in the usual way. The cheques were, however, written with vanishing ink. Later they were filled up for $10,000, $5,000 and $2,000 respectively, and as they appeared to be quite regular and he known to the teller as a customer they were honored.

The fraud was discovered the next morning but the swindler had made his escape and from last accounts had left no clue.

The Crook's Opportunity

As a rule banks do not permit savings cheques to be handed out to customers after acceptance. As with all regulations, however, they are occasionally relaxed and while in most cases nothing happens there will always be trouble when crooks are afforded such an opportunity.

In New York a short time ago there was an epidemic of cheque raising, though their practice in regard to accepting cheques was much more elaborate than in Canada. Their rules call not for the initials of the accepting officer but the signature of a senior officer. Now the rules call for two signatures of bank officers below the bank acceptance stamp.

It is surprising that more attention has not been given to this subject in Canada. An impression of a rubber stamp, which anyone can have made, together with an illegible scrawl purporting to be the ledger-keeper's initials, has a standing in the popular mind as an obligation of a bank which is utterly absurd.

With current accounts there is not the same danger as these are not opened for every Tom, Dick or Harry but with savings anyone can deposit a few dollars and open an account. Name, signature and address given are entered and that is all. The city branches are particularly vulnerable to schemes of this sort.

It goes without saying that regulations will be tightened up all round since the Montreal affair. This, however, will be no hardship to the honest man.

Finger prints of all savings depositors have been suggested but unfortunately this is connected in the public mind with the police, besides being rather a messy process. Some American magazines, however, are advertising a system without the use of ink. Such a safeguard might not entirely eliminate the danger but it would force a crook to leave a record which could be traced and this would certainly tend to discourage the fraternity. The employment of a mechanical protecting device, to indelibly register or perforate an amount limiting payment to a figure approximating that on the face of the cheque when accepted is also suggested.

CANADA STEAMSHIPS

The annual statement of Canada Steamship Lines is not likely to be issued for a couple of weeks, as the comptroller, F. S. Isard, is still in England, and the annual meeting may not be called until the middle of April. The president of the company, J. W. Norcross, returned this week after a visit of several months to England, and stated that he had arranged several advantageous contracts for the company that would not involve any increase in tonnage. Arrangements are also under way for some new financing that may be made in England.

ANNUAL REPORT OF WEYBURN SECURITY

Deposits Reduced But Commercial and Municipal Loans Were Higher

Although the profits of the Weyburn Security Bank for 1920 provided a substantial sum to be added to reserve after the payment of the usual dividends and provisions for taxes, etc., the fact that the figure of $50,493, compared with $62,221 for 1919 and $74,343 for 1918, evidently reflected conditions which have been experienced by this purely Western institution. Earnings on capital were 10 per cent. as compared with 7 per cent. paid in dividends. Following are comparative figures for the past three years:

	1920	1919	1918
Bal forward	*$7,249	$ 5.457	$ 4,222
Net profits	50,493	62,221	74,343
	$57,742	$67,678	$78,565
Distributions—			
Dividends	$35,113	$33,506	$25,280
Bank fixtures	3,598	4,950	3,843
Tax on cir.	4,725	4,407	3,985
Reserves	....	10,000	40,000
Profits tax	....	6,269	....
Balance	14,306	8,546	5,457
	$57,742	$67,678	$78,565
Earn. on capital	10.0	13.0	17.6

*Less income war tax, year, 1919.

Important changes in the balance sheet include a reduction of bank balances by $381,000, a reduction of loans on public securities by $213,000, and increases in current and municipal loans of $72,000 and $79,000 respectively. Savings deposits declined $184,000 and demand deposits $196,000, while advances from the Dominion Government were reduced by $267,000. Following are comparative figures:

Immediately Available Liquid Assets	1920.	1919.	Change.
Specie	$ 17,513	$ 15,744+	$ 1,769
Dom. notes	165,560	186,975—	21,415
Note cir. dep.	22,196	21,550+	646
Notes, bk.	19,106	32,915—	13,809
Bank bal.	722,533	1,104,156—	381,623
Do., abroad	92,642	105,119—	12,477
Gov. secs.	277,961	319,255—	41,293
Cheques	35,696	38,701—	3,005
Other Assets			
Pub. sec.	$ 253,465	$ 467,140—	$213,675
Mun. loans	95,557	16,689+	78,862
Current	1,964,428	1,912,028+	52,400
Over. debts	19,379	98,523—	79,144
Real estate	24,397	10,726+	13,671
Mortgages	19,737	7,969+	11,768
Premises	203,271	192,654+	10,617
Other assets	75,727	58,019+	17,708
	$2,655,955	$2,763,748—	$107,793
Total assets	$4,009,163	$4,588,163—	$579,000
Liabilities to Public			
Circulation	$ 430,490	$ 418,960+	11,530
Dem. dep.	1,171,103	1,366,871—	195,768
Savings	1,217,933	1,402,265—	184,332
Due banks	29,245	23,655+	5,590
Due Dom. Govt.	361,482	629,307—	267,465
Due Prov. Govt.	10,992	12,589—	1,597
Other liab.	5,333	5,556—	223
	$3,226,938	$3,859,203—	$632,265
To Shareholders			
Capital	$ 524,560	$ 478,661+	$ 45,899
Reserves	225,000	225,000	......
Dividends	18,359	16,753+	1,606
Balance	14,306	8,546+	5,760
	$ 782,225	$ 728,960+	$ 53,265
Total liab.	$4,009,163	$4,588,163—	$579,000

FOREIGN CAPITAL IN CANADA

Large Investments in Branch Factories Here

The industrial situation in Canada forms the basis of an interesting booklet prepared by the Canadian Bank of Commerce, with the object of presenting accurate and concise information to prospective importers of Canadian goods and to capitalists in other countries seeking a profitable field for investment. Some of the advantages offered by Canada for an industrial concern in the United States or Europe looking for an extended field elsewhere, it is pointed out, are as follows: that in Canada there are abundant raw materials, settled labor conditions and an unlimited supply of cheap power. The result has been that British and American capital invested in branch industrial plants in Canada amounts to-day to nearly $400,000,000. In the early days of 1914 the amount of American capital invested in branch factories was placed at $135,000,000. A census taken in May, 1919, showed the amount to be $265,000,000. It is estimated further that during 1919 some 200 plants were erected or leased in Canada by American manufacturing concerns.

An Opportunity

We are offering shares in the Fort Norman Oil Co., Ltd., a company having extensive acreage in the Mackenzie River oil fields and within a short distance of the strike made by the Imperial Oil Co., which resulted in a 2,000 bbl. gusher.

This spring will see active development in this district. We advise the purchase of shares in the

Fort Norman Oil Co., Ltd.

An opportunity such as this does not occur every day.

Will you let us send you particulars, and tell you more about it?

Adel. 4038

Anglo Canadian Financial Corporation Limited
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C.P.R. Building - Toronto

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COBB
ARCHITECT, TORONTO

COMMERCE

The Canadian Bank of Commerce has opened a branch at the corner of Arlington street and Notre Dame Ave., Winnipeg, to be known as the Arlington and Notre Dame branch, with G. G. Sutherland in charge.

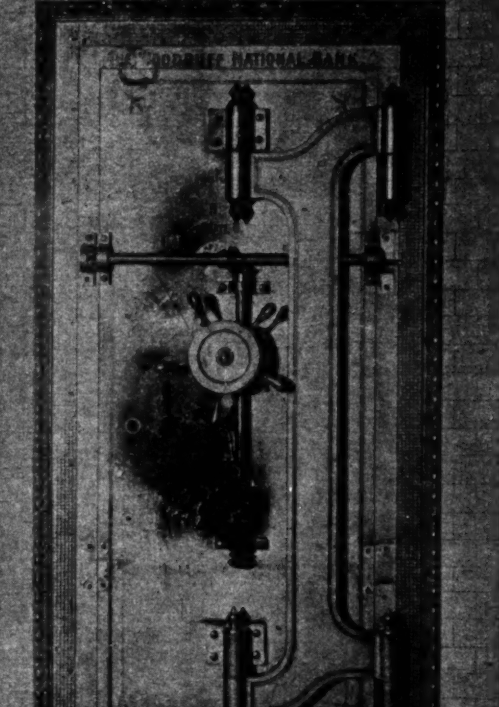
Wholesale Prevention of Bank Burglaries
INSURANCE REDUCED
PROVEN PROTECTION
There Is Only One
Genuine Anakin Burglar Proof Lock

PROOF BURGLARIES Prevented by Anakin Locks

Bank of Lanyon, Lanyon, Iowa, Sept. 29, 1919.
First National Bank, Wyanet, Ill., Oct. 30, 1919.
Farmers & Merchants State Bank, Leland, Ill., Nov. 17, 1919.
Franklin Grove Bank, Franklin Grove, Ill., Nov. 25, 1919.
McClure & Jacobs Bank, Arrowsmith, Ill., Nov. 28, 1919.
Arrowsmith Bank, Arrowsmith, Ill., Nov. 28, 1919.
Buffalo Bank, Buffalo, Ill., Dec. 17, 1919.
Smithland Bank, Smithland, Iowa, Feb. 17, 1920.
Mahomet Bank, Mahomet, Ill., March 17, 1920.
First National Bank, Woodhull, Ill., April 13, 1920.
Woodhull State Bank, Woodhull, Ill., April 13, 1920.
Buck Creek State Bank, Buck Creek, Ind., May 20, 1920.
Nichols Savings Bank, Nichols, Iowa, June 17, 1920.
Farmers Savings Bank, Calamus, Iowa, June 22, 1920.
Cherry Valley State Bank, Cherry Valley, Ill., June 23, 1920.
Edgerton State Bank, Edgerton, Ohio, June 25, 1920.
Sublette Exchange Bank, Sublette, Ill., June 28, 1920.
Arlington State Bank, Arlington, Ill., July 27, 1920.

18 MONTHS' RECORD

THIS picture below shows the vault door of the Woodruff National Bank, Dunkirk, Ohio. The only case on record where any locking device ever prevented burglary where acetylene torch was used.



There was absolutely nothing holding this door except **Anakin Burglar Proof Locks.**

PROOF BURGLARIES Prevented by Anakin Locks

Farmers State Bank, Elberon, Iowa, Aug. 18, 1920.
Citizens State Bank, Tab, Ind., Aug. 21, 1920.
First National Bank, Norway, Iowa, Aug. 22, 1920.
American Savings Bank, Staceyville, Iowa, Aug. 23, 1920.
First National Bank, Oneida, Ill., Sept. 13, 1920.
State Bank of East Stanwood, East Stanwood, Washington, Sept. 14, 1920.
Bank of Emma, Emma, Mo., Sept. 17, 1920.
Peoples Bank, Mt. Jackson, Va., Sept. 19, 1920.
Valley State Bank, Post Falls, Idaho, Oct. 7, 1920.
Woodruff National Bank, Dunkirk, Ohio, Oct. 8, 1920.
Somonauk State Bank, Somonauk, Ill., Nov. 13, 1920.
First State Bank, Magnolia, Ill., Nov. 20, 1920.
Imbler State Bank, Imbler, Ore., Dec. 2, 1920.
First National Bank, Percy, Ill., Jan. 5, 1921.
Farmers Savings Bank, Bulpitt, Ill., Jan. 12, 1921.
Farmers Bank, Buckingham, Ill., Feb. 2, 1921.
Miller Co. Exchange Bank, Olean, Mo., Feb. 2, 1921.

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No paid advertising, other than annual reports or official notices of corporations, will be inserted in the news columns unless marked "Advertisement."

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TORONTO, MARCH 25, 1921

A WISE MAN FROM THE WEST

THE common-sense attitude towards public business which has been displayed by the Drury administration in Ontario was no doubt largely responsible for the hearty and appreciative reception tendered to Hon. T. A. Crerar, leader of the Farmers' party in Canada, by a large audience at a Canadian Club luncheon in Toronto. Here was a Western leader who has been represented in the East as a free trader and otherwise an enemy of manufacturing interests addressing an audience of business men who have been misrepresented in the West as working against the best interests of agriculture. Mr. Crerar on the one hand discussed national issues in a straightforward business manner and on the other hand the attitude of his audience indicated appreciation of the fact that the development of our agricultural resources is highly important to national prosperity.

Mr. Crerar said a number of things which may have sounded familiar to readers of these columns. For instance, he mentioned that the average farmer devoted more thought to national issues than the average resident of the city and he emphasized that the farmers were a stable force in the community; they were owners of property; they had bank accounts; they were not Bolshevists.

The impression created by Mr. Crerar was that the farmers were anxious to have a fair representation in the Commons rather than to undertake the responsibilities of government. This is perhaps the policy of Mr. Crerar and other big men in the Farmers' movement. But it is not to be expected that a political campaign will be conducted along the broad lines indicated by this Toronto speech. The movement is after all founded on individual misunderstanding and discontent. It will be considered good politics by many if those behind it foster this discontent and play the East against the West—the farmer against the manufacturer. Other elements, too, which have the interests of neither the farmer nor the manufacturer at heart, will capitalize this misunderstanding and enmity to further radical policies.

The visit of Mr. Crerar had the effect of bringing an audience of Eastern business men to a better appreciation of the aims of the Farmers' party, and the understanding displayed was perhaps somewhat of a surprise to him. It is important that people who live in cities should understand the problems of the people who live on farms, but it is undoubtedly more important at the moment that the people who live on farms should better understand the little appreciated problems of the manufacturers. In this lack of understanding of the benefits to the whole community created by a comparatively small number, there is a serious menace in the political situation which demands a broad and intelligent educational effort. Big men and big policies can do good work in the C.M.A.

DANGEROUS FORECASTS BY COMPANY OFFICIALS

IN a previous issue THE FINANCIAL POST protested against the action of some officials of corporations, in which there was a large public investment interest, allowing themselves to be quoted as predicting certain rosy results that no one could possibly know for certain at the time. There have been two rather glaring instances of this during the past week.

In one case the president of the Abitibi Power & Paper Company is quoted in a prospectus, as estimating the profits of his company for the year 1921 as $6,000,000, making about $1,000,000 increase over the profits of the year 1920. Let it be stated plainly that no one on earth is in a position to estimate the profits of this company for the present year. No one knows what the price of newsprint will be by the first of July; no one knows what proportion of last year's production the Abitibi or any other newsprint mill will be able to dispose of during the present year; whether it will work out better than last year, or considerably less, nor what the average price for the year will be. The result will depend on the time it will take for general business conditions and closely allied with this, the volume of advertising to recover to a normal level, and at the present time both are far below normal, and the newsprint mills' production far below normal also. The $6,000,000 estimate may be well within the final mark and no one wishes this more than THE FINANCIAL POST, whose faith in the pulp and paper industry as an industry is as strong as ever. But the $6,000,000 estimate may be far above the actual result; that only the latter part of the year can reveal, and under abnormal conditions we contend no one assuming to speak authoritatively for a company has any right to offer any such alluring figures as have been done in this case.

There has been another: in a report of earnings of the Riordon Pulp & Paper Company it is stated in a paper this week that "officials" declared shipments against contracts had shown a steady increase since December "and are now running at the rate of approximately two-thirds of production, with every likelihood of becoming normal again by April or May." With all due deference to this "official" opinion it would seem impossible for conditions in the pulp industry, even that of bleached sulphite, to become normal, or anything like normal by April or May, and the statement attributed to "officials" of this company can only tend to mislead the investing public, buoying them up with hopes that are not at all certain, or even reasonably likely to materialize. In the present case THE FINANCIAL POST hopes that this company, officially, will see fit to modify the statement attributed to "officials."

Such a criticism is not a "knock." It is dictated solely by a desire to have present market conditions in the various industries made as clear as possible to investors, actual or prospective.

THE FARMER WANTS TO BE SHOWN

IN endorsing the suggestion of J. F. M. Stewart that farmers be relieved from the payment of income tax, president J. S. McKinnon, of the Canadian Manufacturers' Association, has taken a step which should do much to bring about a better understanding between the farmers and the manufacturers. The same principle applies with regard to the income tax in the case of the farmer as with the business profits in the case of the manufacturer—that it is a handicap on production. Besides in the case of the farmer there are so many exemptions, so many difficulties in estimating what is actually income and such a wide field to cover in the making of collections that, however equitable a direct tax might be made in theory, it has small chance of working out equitably in practice.

But this broad-minded view on the question of taxation will not impress the farmers for its true worth so long as their opinion of the C.M.A. is influenced by such activities as those of G. M. Murray in his campaign to control newspaper editorial policy by aid of the big stick of advertising appropriations. Although Murray is not now an official of the C.M.A., the fact remains that he is still closely associated with that organization in the public mind—particularly in Western Canada. Unless the C.M.A. publicly disowns Murray and his scheme the farmers will question the sincerity of President McKinnon.

"LOOK BEFORE YOU LEAP"

THE appalling figures contained in the report of the Minister of Railways have a special significance to the people of Ontario in view of the proposals for publicly owned electric railways to parallel, in many cases, the national steam roads now operating at such a terrible expense. Taking late Ottawa reports as a basis for a deficit for the year of $100,000,000 or more, Ontario's responsibility, on the ratio of population, can be figured in the neighborhood of $30,000,000. The scheme of Hydro radials calls for an initial outlay of $50,000,000.

Apart altogether from the inevitable conclusion that inefficiency in operation—due to the conditions of public ownership rather than to poor management—is a big factor in the national railway deficit, and that this same inefficiency would be encountered in the operation of publicly owned radial roads, there is the plain business proposition that the Hydro proposals involve the investment of millions of money in a system which to be made a success must take business from another system owned by the people which is already losing them many other millions every year. Several expert witnesses of acknowledged standing have sworn before the Sutherland commission that in their judgment the proposed radials—such as the Toronto-Eastern and Toronto-St.Catharines—cannot earn on the basis of Hydro estimates without drawing heavily upon the traffic of the government railways operating in the same fields.

The situation would seem to add conviction to the argument previously submitted by THE FINANCIAL POST that if electricity offers the advantages in transportation which have been claimed for it and if the Chippawa scheme develops sufficient power at a reasonable figure—which is yet to be proven—then present systems should be electrified to improve transportation facilities at lower costs. Expert opinion has shown convincingly that the existing lines are not being operated to anything like their carrying capacity as regards either freight or passenger traffic. But should business develop to warrant the construction of additional tracks, these could be laid at a fraction of the expense entailed in acquiring new right of way and constructing independent roadbed.

EDITORIAL NOTES

A NATIONALLY known financier, as he left Canadian Club luncheon at Toronto, after listening to Hon. T. A. Crerar on the railroad situation, was heard to remark: "And he might have added that not a yard of new railroad should be laid in this country for ten years."

* * *

TORONTO has turned the welcome on the door-mat to the unemployed to the floor. The city will save $1,000 per day. The deserving cases will be looked after by various organizations and about half of the 2,000 single men who have been receiving free meal tickets will have to go back to work.

* * *

MANITOBA is proposing a tax of one per cent. on the gross profits of all incorporated companies operating in the province. Surely this is something within the jurisdiction of the Federal Government. It is high time that there was some definite understanding of where the dominion stops and the provinces begin in the matter of tax levies.

* * *

WE ARE assured by the Toronto Globe that although the House "wakened up with a start" when confronted with the $69,500,000 railway deficit, there were "no admissions by the real friends of public ownership." Are the "real friends" of a very sick man those who tell him that he is doing all right or those who call for a remedy—and an operation if advisable?

* * *

TO FURNISH an excuse for public ownership in regard to the national railway deficit, it is being argued that conditions are just as bad in the United States and Great Britain where "the railroads have not been taken over for operation by the people." This argument of course conveniently ignores the fact that the transportation problems of both of these countries were created under government operation.

The Man Who Made the Canadian General Electric

Some "Close-Up" Impressions of Colonel Frederic Nicholls and Intimate Information of His Early Strenuous Experiences

By AUSTIN R. CAMPBELL.

IT was on December 27th, 1888, that ten young business men of Toronto set their signatures, perhaps with some misgivings, to a simple letter agreeing to pay $1,000 into a syndicate to investigate the feasibility of establishing in Toronto an electric light plant to deliver power and light by means of underground wires. From this syndicate sprang the Toronto Incandescent Light Company on June 26th, 1889. A year's negotiations had granted it a franchise from the City of Toronto and the exclusive Canadian rights to the Edison Electric Light Company of New York. The company was successful from the start, it subsequently amalgamated with the Toronto Electric Light Company, thus giving place to the Toronto Construction & Electrical Supply Co. on February 11th, 1891. This latter company, which acted as sole agents in Canada for the Thompson-Houston Electric Company, of Boston, was likewise most successful, and after having purchased the Edison Electric Light Co.'s factories at Peterborough became, by virtue of growth, the immediate parent of the Canadian General Electric Co., which was organized on September 5th, 1892. Out of an original investment of $10,000, by exercise of business acumen of the highest order, coupled with foresight, courage and firm faith, has grown an industry with assets of over $30,000,000 and a credit and reputation that is world wide.

The history of nations and of corporations is almost invariably the history of one man. Fathered in some restless mind, and cherished by a life's devotion, all the great benefits which humanity enjoy, can be traced to the work of individuals. From office boy to highest executive all the employees recognize that Frederic Nicholls is the Canadian General Electric Co. What follows may help readers of THE FINANCIAL POST to know him better:

Ever been arrested? The new chairman of the Board of Directors of the Canadian General Electric Company was—once. It happened in this wise:—

One dark evening, away back in the days before there were any electric lights, P. C. No. 23—210 pounds of vigilance — paced Wellington street, sole guardian of all he surveyed. Turning the corner of Leader Lane he sighted a very suspicious character who, with a well filled bag on his back, appeared seeking to evade notice. With an instinctive sense for crime P. C. No. 23 believed he recognized a desperado making off with his spoils—the majesty of the law fell upon man and bag.

To the officers' command to "Drop that swag," the victim had perforce to comply—the fingers of No. 23 being none too lovingly associated with his coat collar.

"I guess you've got the goods on me this time officer," the prisoner admitted, though in accents of merriment that puzzled the official. Dragging prisoner and spoils under the flickering light of a gas lamp P. C. No. 23 looked down at a laughing face. The officer was puzzled. The "swag" lay on the pavement; with some misgivings the constable opened the bag. Rolled, stamped and addressed, dozens of copies of "The Canadian Manufacturer" rewarded his search. Frederic Nicholls, editor, manager and proofreader, was maintaining his motto for efficiency. He was delivering at the Post Office, per his own back, the evening mail that otherwise would not have gone out till next day.

It is not recorded what became of P.C. No. 23, but Frederic Nicholls is head of the greatest electrical company in the British Empire. His back is still loaded, but it is the sack of fortune, filled with government and industrial honors. "Finish your job," was the rule in those days—and still is.

The history of any man dates, less from his birth than from some "divine moment," the time when first his soul thrilled to the inspiration of achievement. It is a tragic, a glorious moment; it has made or ruined both men and nations. So, in his native English village, the electric bacillus first fastened its anodes in the soul of Frederic Nicholls. Equipped with Jablochkoff batteries and soft carbon arc lamps, he succeeded, after long experiment, in lighting the paternal croquet lawn. I wonder if, while the amazed rustics gazed, did he vision Niagara? At all events from the acorn of that week uncertain spark has grown the oak tree of the Canadian General Electric.

Born in England, where he received his early schooling, afterwards attending college in Stuttgart, Wurtemburg, young Nicholls was equipped in a peculiar manner for his life's work. The thoroughness which his German training instilled, coupled with the dogged perseverance of his British ancestry, undoubtedly have influenced his life. It was while studying in Stuttgart at the age of 17 that he witnessed the celebrations which concluded the Franco-Prussian War of 1870. The city rejoiced with a festival of light, and to indicate that in the national joy there was no distinction between rich and poor, millions of candles burned in rows on every window sill.

A custom lumber mill five miles out of Ottawa claims the honor of being first to employ the abilities of the coming electrical equipment chief, when he served them as bookkeeper. For two years, rain or freeze, Nicholls made the daily trip from Ottawa to the mill on foot, and never lost a day. He became well acquainted with the virtue of work. To say of a successful man "he worked hard" is so usual as to have become trite; yet its repetition but proves the truth.

Some years later, forsaking the fascination of journalism and the romance of the printing press, Nicholls turned his energies more directly to his life's work when in 1886 he opened the Nicholls-Howland "Permanent Exhibition" on Front street, opposite the present Queen's Hotel. A large floor area was attractively laid out to show various types of machines. Lest his prospective buyers should tire of dull terms of mechanical performance and efficiency, a Hungarian orchestra discoursed arias from famous operas or ragged the "Jazz" of the day. Thus was demonstrated, that business and the arts are kindred; that there is a bond of similarity between the music of a well made machine and the sorrowing soul of vibrative brass. Nicholls made of business an art and of art a business.

It is not recorded that the "Permanent Exhibition" was any great financial success; not directly that is. Yet through it came the great opportunity, the underground system and the incandescent light.

The Wonder of Electricity

And the world laughed. What? Bury electric cables underground? Make light without heat or air?—preposterous. But the world that scoffed has lived to — pay.

To whom belongs the honor of first suggesting that weak man bridle the untamed fury of Niagara's power? Certainly not Nicholls, nor for that matter any of those whose energy first performed the feat. Yet which is the greater, he who proposes, or he who performs?

Under a franchise from the Ross Government of Ontario, ten millions of Canadian and British capital were invested. Niagara roared its rage at this curbing of its millenium-long freedom, and the protest of the waters found echo in the hearts of the people.

"Who are these, that are stealing our birthright? Does not the water belong to the people?" "Go to; we shall own our heritage."

Not one dollar of present or prospective profit was received by the original men, who, matching their genius against the hazard of nature, risking their money in worthy patriotism planned the labor, bore the burden, and performed the task.

It is always thus private enterprise leads the way, democracy demands the fruits. The cry of Wolsey has been often repeated. Not that chill penury became the heritage of these pioneers—far from it. Without the pulsating power from Niagara the products of the Canadian General Electric would be worse than useless, but—well let credit rest where it is due—it was Nicholls who organized the capital, and Nicholls who planned and performed the work. Name him who thought of the idea; name him who first suggested its possibility?—Babel's conclusion is worse—Nichols performed.

There are always several sides to the character of every man. These variations are more pronounced in men who have attained large success, indeed their pinnacle of achievement has often been reached because of these so-called excentricities.

Those who know Senator Nicholls in the capacity of magnate of the electrical manufacturing industry see but the one side. Business comes first, at the corner of King and Simcoe streets. There is no time for waste talk, the wheels of his large company are well oiled, but they need directing and the chief who steers the course is always "on the job." Some there are who disagree with the manner in which the course is directed, but the persistent reputation of dividend payments and the fact that in the middle of the present business depression, the Canadian General Electric have more work in hand than ever before are the best replies to such criticisms.

It has been said of one great man that he had:—"An almost equal faculty for making friends as enemies, but that the latter were usually more demonstrative." Perhaps Senator Nicholls can appreciate this aphorism from direct experience. If so he would doubtless be among the first to admit it that he was himself to praise or to blame in either case. Yet gossip and resentment for supposed injuries aside, Senator Nicholls is willing to let his record judge him, for he says:—"Thirty-three years is a long period to look back upon, especially when it has been spent in one position, directing and handling great numbers of men. Now, when I am about to retire from intimate personal control and contact with those who helped me to build up this industry, I acknowledge a debt of gratitude to all my friends and employees for loyal and faithful co-operation."

There are other men in the Canadian General Electric who have been with it since the start. Still others who have spent one, two and three decades in the executive or mechanical branches—they are to-day strong supporters of Senator Nicholls. It has been said that no man is a hero to his valet, similarly, to hold the respect of life long employees, a man must possess in a high degree, the fortitude to command and the faculty to befriend.

Knowing His Man

As an example of tact and appreciation of human nature witness his skillful handling of the irate president of one of Canada's largest corporations. The corporation needed equipment—Nicholls needed the order. Very insistently needed the order, be it said. Business was slack, it was a question of price. Other electrical companies might get in ahead. Nicholls put the papers in one pocket and his ubiquitous pipe in another and dropped into the office of the corporation.

"Outrageous!" declared the corporation president, when he glanced at the papers. "Nicholls, this price is all nonsense, we won't, we can't, accept it!" Brushing the papers aside the angry president strode up and down his office.

Nicholls remained seated. Apparently he did not notice his prospective customer's wrath. He drew out his pipe, examined it critically, and blew through it. He produced his knife and methodically dug out the bowl. The task seemed to fascinate him, he lavished a wealth of artistic appreciation on the job.

"Do you understand me," cried the customer as he came to a sudden halt before Nicholls' chair. "It won't g[illegible]" Nicholls pulled the stem out of his [illegible] raised it to the light of the wind[illegible] blew through it vociferously, and exa[illegible] ined it again. Satisfied with his prep[illegible] ations he refitted it to a nicety and [illegible] his tobacco pouch on the table.

"You can't shove that thing down [illegible] throat," continued the president. "I['ll] see you in ——." Nicholls had filled his pipe. "Ever smoke 'Raven' tobacco Jim[illegible]" he enquired casually.

"Ever smoke—say, I'm talking [illegible] trical equipment with you."

Nicholls passed his open tobacco p[illegible] across the table. "Always light my pi[illegible] when the conversation gets heated," [illegible] remarked. Bottling his rage the an[illegible] president resumed his seat, produced [illegible] cigar and bit the end off. There wa[illegible] long pause, Nicholls did not glance at [illegible] customer, he was looking for a ma[illegible] Through one pocket after another [illegible] search progressed in calm and leisurel[illegible] fashion. Curious how illusive th[illegible] matches were, it was a long time befo[illegible] they were run to earth and forced to [illegible] their mission in life. Nicholls' pipe [illegible] up a steady flow, while his eyes we[illegible] fixed outside the window. The presid[illegible] of the corporation watched the perfor[illegible] ance amazed; his anger died away. [illegible] realized that Nichols was keeping [illegible] than his pipe between his teeth.

"Let me see," Nicholls inquired [illegible]

Continued on page 11.

PERSONALS

J. FRATER TAYLOR has been [illegible] a director of the British American [illegible] Corporation, to represent the [illegible] Government, in place of Sir Allan Ander[illegible] son, who has retired.

R. H. HAMLIN, general manager of the Empire Sash & Door Factory, Winnipeg, Manitoba; has been recently elec[illegible] director of the Western Life Assuranc[illegible] Company. Mr. Hamlin has been clos[illegible] connected with civic and the busines[illegible] life of Winnipeg for a number of years.

MERVYN SMITH, who for the [illegible] nine years has been connected with [illegible] actuarial department of the Mutual [illegible] of Canada, has been appointed assist[illegible] secretary of the Ontario Equitable Life & Accident Insurance Company, of Waterloo. Mr. Smith joined the Ontario Equitable on December 20 last as chi[illegible] clerk.

JOHN WHITSELL, who has been ap[illegible] pointed manager of the Winnipeg Elec[illegible] tric Railway Company, has had a [illegible] and varied career in the electric railw[illegible] industry. His first position was with [illegible] Sioux City Traction Company in 18[illegible] Up until recently he was general sup[illegible] intendent of the Chicago and Inter[illegible] Urban Railway. He held this positi[illegible] until he resigned for the Winnipeg man[illegible] agership.

J. A. VAILLANCOURT, president [illegible] the Bank of Hochelaga, who is w[illegible] known in financial and business circl[illegible] celebrated the thirtieth anniversary [illegible] his appointment as director of the ba[illegible] He was presented by the vice-presid[illegible] Senator Beique, in the name of his co[illegible] leagues, with thirty roses as a mark [illegible] appreciation and of thanks for his a[illegible] direction of the bank's affairs.

W. E. MILNER, who has been recently appointed to the position of vice-pres[illegible] dent of the Western Life Assuran[illegible] Company, of Winnipeg, has taken [illegible] active part in the business life of [illegible] city for a number of years. For [illegible] past eight years he has held the pre[illegible] dency of the Traders Building Associ[illegible] tion, resigning recently, and in 1914 [illegible] held the position of president of [illegible] Winnipeg Grain Exchange. He at [illegible] present time is secretary-treasurer [illegible] the Winnipeg Board of Trade.

A. E. DYMENT, who has just be[illegible] elected president of the Canadian Gen[illegible] eral Electric Company, Limited, is [illegible] of the better known Toronto financi[illegible] men, having for some years past bee[illegible] member of the stock brokerage ho[illegible] of Dyment, Cassels & Co. He has, ho[illegible] ever, given up his connection with th[illegible] house, and will make his headquarter[illegible] the head office of the Canadian Gener[illegible] Electric Company. He was formerly vi[illegible] president of the organization. He is al[illegible] a director of the Royal Bank of Canad[illegible] director Mercantile Trust Company; director Dominion Sugar Company; vice-president Maritime Coal, Railway and Power Company; president Dyment Se[illegible] curities, Loan and Savings Company; vice-president Canadian Theatres, L[illegible]

J. H. FORTIER, vice-president and general manager of P. T. Legare Co. Ltd., which has increased its capitaliz[illegible] tion to $5,000,000 and is making an issu[illegible] of $1,200,000 bonds for extending [illegible] selling operations in agricultural imp[illegible] ments and household goods, is a prod[illegible] of the farm, having been born on one [illegible] St. Gervais, in Bellechasse County, Q[illegible] Mr. Fortier is also vice-president [illegible] three companies owned and operated [illegible] the partners in the Legare Co., the Per[illegible] cival Plow & Stove Co. of Merrickvill[illegible] Ont.; the Dominion Carriage Co. [illegible] Montreal, and the Legare Automobile & Supply Co. of Montreal. He has be[illegible] 28 years with the Legare firm. For some years past Mr. Fortier has ta[illegible] a prominent part in the affairs of [illegible] C. M. A. in Quebec Province and is vice-president of the Quebec section. In addition, his aggressive and broad-minded business ability resulted in his election this year as president of Quebec City Board of Trade.

JOHN CARROLL, a director and sec[illegible] retary of the wholesale dry goods firm of Hodgson, Sumner & Co., of Montreal, died at the week end of pneumonia. He had the rather unusual experience [illegible] entering this firm at the age of 15 and continuing steadily in its employ for 45 years, his death taking place the d[illegible] before his sixtieth birthday. The la[illegible] Mr. Carroll took an active part in [illegible] dry goods section of the board of tra[illegible] and was chairman of this at the ti[illegible] of his death. Of few of the English speaking business men of Montreal could it be said, as of Mr. Carroll, that he was a fluent French speaker as well as English. While he did not take an ac[illegible] tive part in politics he was a close per[illegible] sonal friend of Sir Wilfrid Laurier. Judge Carroll, who retired a few we[illegible] ago from the bench to become chairm[illegible] of the Quebec License Commission, w[illegible] a younger brother. A close friend [illegible] scribes him as a "lovable person[illegible] with great mental acumen, and [illegible] judgment in business matters."

New Issue

$1,500,000

CITY OF MONTREAL

Protestant School Commissioners

6% Serial Coupon Bonds

Dated 1st January, 1920. Due 1st January, 1925-50.

Principal and half-yearly interest (1st January and July), payable by the City of Montreal at the Office of the City Treasurer, Montreal.

Denomination: $1,000

Trustee Investment in Provinces of Ontario and Quebec.

Financial Statement

Assessed Value of Property Liable for Taxation	$151,983,280
NET DEBENTURE DEBT	5,998,180
Value of Assets	8,429,672

These bonds are not only a direct and primary obligation of the Commission, but over the signature of the City Treasurer of Montreal, there is embodied on the face of the bond the following clause:

"The City of Montreal is bound by law to retain in its hands out of the yearly proceeds of the school tax in the city, a sufficient sum to pay the interest and to provide for the redemption of these bonds at maturity, and the bearer of this bond shall have the right to claim from the City of Montreal payment of capital and interest when due."

Price: Par and Interest, Yielding 6%

Full Particulars on Request

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INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of THE FINANCIAL POST. Only questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose 3 cents in postage stamps to cover postage on answers direct.

WESTERN CANADA PULP

C.S., Hamilton.—What is your opinion of Western Canada Pulp and Paper 7% bonds?

A certain speculative feature must necessarily attach to a new concern, and for this reason we hesitate to recommend the Western Canada Pulp & Paper Company bonds other than as a business man's investment. The bonds appear to be well secured, and there does not appear any reason why this company should not eventually prosper. The fact must not be overlooked, however, that many companies have entered the pulp and paper industry comparatively recently, and production has been rapidly speeded up.

BRAZILIAN

N.C., Montreal.—Would appreciate any information you can give me as to the advisability of purchasing Brazilian Traction at 33, and putting it away with the idea of holding it for an increase in value within the next year or two.

Brazilian Traction has all the characteristics of a very fair speculation at present prices, but we believe that it should not be purchased with a view to an immediate or rapid appreciation, but rather for a hold of one or two years pending the re-establishment of this security upon a dividend basis. The company is in a sound condition and the volume of earnings has been steadily increasing.

ROBERT SIMPSON

C.F.H., Toronto.—Would like to know if you consider a thousand dollars purchase of the 6 per cent. cumulative stock of the Robert Simpson Co., which I see is being offered at 80, to yield 7½ per cent., is an attractive investment for one of limited capital? I would also like your views on the new $2,000,000 issue of the Fraser Companies 8 per cent. general mortgage bonds.

We believe that you would be well advised to purchase Robert Simpson preferred rather than the stock of the Fraser Companies. The Simpson Company is firmly established, carefully and efficiently managed, and there does not appear to be any question but that its future is well assured. As an investment we have no hesitation in recommending this security to you.

SPANISH RIVER

A.W.C., Montreal.—I would appreciate your advice on the question as to whether Spanish River Pulp preferred shares could be considered a fair investment at present levels. I am holding 100 shares, which cost about $110, and I was wondering whether it would be a good idea to average.

The paper industry, in common with every other industry, is feeling the adverse influence of trade depression and the immediate future is uncertain. Spanish River has recently found it necessary to do some financing in the public market, and it would appear from the fact that the shareholders have recently conferred upon the directors the power to raise not more than $20,000,000, that the end of the new financing had not as yet been reached. This cannot but affect the stock adversely, and while we have no doubt that the stock will recover eventually we can see no influence in sight which would tend to make this recovery immediate. It does not appear to us that averaging would be the wisest course to pursue in the face of the present unsettled conditions.

MINING STOCKS

P.A.P., Toronto.—Would like some information concerning the advisability of investing in the stock of Canadian Gold Mining, also the prospects of Gold Reef, V.N.T., Kirkland Lake, Porcupine Crown and Hollinger.

With but one exception the mining stocks you mention contain a big element of speculation, which, we believe, would make them unattractive to you. Hollinger is the most reliable member of the list, and you will have reasonable security for any money you may place in this stock. It could have been bought to better advantage two months ago than at the present time. We would suggest Dome Mines as offering fair possibilities.

INSURANCE TAX

R.S., Toronto.—I notice in your issue of March 11 that insurance policies issued in Canada by U.S. companies are subject to a tax by the U.S. Government in the event of their becoming a claim. Have you any information as to what the present tax is in connection with a $10,000 life policy?

An insurance policy held by a Canadian and placed with an American firm would on becoming a claim be subject to succession duties on the other side, and the charge of the government would vary according to the extent of the insured's estate as a whole. It is therefore impossible to determine the amount of the liability upon an individual claim. For more specific information upon this subject would suggest that you write to the Department of Internal Revenue, Washington, D.C.

MOUNT ROYAL HOTEL.

Enquirer, Bailieboro—Kindly favor me with your opinion regarding Mount Royal Hotel Company, 8 per cent. convertible debentures. Explain the "why" of common stock bonuses.

While this issue is a bond at the present time there is a provision by which this must be converted on July 1, 1923, into 8 per cent. cumulative preferred stock, which for a long-term investment removes it from the higher class of a bond security into that of a preferred stock. This will explain why there is a bonus of 40 per cent. of common stock offered as an incentive with the debentures. Such a bonus of common is frequently offered to render a bond or preferred issue more attractive, as it has a certain speculative interest for the investor, and has a good chance, if the enterprise succeeds, of becoming valuable in itself and in time of earning regular dividends, in which case it would be "all to the good." So far as the hotel proposition itself is concerned we understand that the bond issue of $3,000,000 is being looked after by the George A. Fuller Company that will do the construction work, while probably $2,000,000 of the debentures have been sold so far. It is proposed to start work shortly. So far as this being a paying concern no one can guarantee that until the hotel has actually been in operation for some time. You will see, therefore, why we must regard the debenture issue as more or less speculative with some attractive features.

RSC INVESTMENT-SERVICE

Is The Pulp and Paper Industry Sound?

If prevailing liquidation in industrial common stocks has unsettled your belief in the fundamental strength of the pulp and paper industry, write now for *Investment Items*.

The current number discusses clearly and briefly the present position of the industry and gives reasons for the necessity of new industrial financing.

It is not only interesting reading, but will greatly strengthen your confidence in Canadian industry.

A letter will add your name to our mailing list.

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A Matter of Investment Policy

During the past two years Canadian financial institutions have exchanged millions of dollars of short-termed Canadian bonds, payable in New York, for long-termed bonds, payable in Canada only. This policy has two outstanding advantages:

It enables the investor to profit by the present substantial premium on New York funds, a premium which, by its very nature, is operating slowly but surely to reduce and ultimately to efface itself, and a premium which should decline steadily as the pound sterling advances in New York.

It enables the investor to acquire at the present low price-level bonds of long term which will be available only at considerably higher prices on the maturity of short-termed bonds now held.

We are prepared to purchase for cash or in exchange for any securities on our list all or any part of $100,000 each of the following short-termed bonds payable in New York:—

Alberta 4½'s	Due 1923	Montreal 6's	Due 1923
Alberta 4½'s	Due 1924	New Brunswick 6's	Due 1928
Alberta 5½'s	Due 1929	Ontario 6's	Due 1928
Alberta 6's	Due 1928	Ontario 4½'s	Due 1925
Alberta 5's	Due 1922	Ontario 4's	Due 1926
Manitoba 6's	Due 1928	Ontario 5½'s	Due 1929
Montreal 6's	Due 1922	Toronto 4½'s	Due 1925

Our bids for these issues vary with the rate of exchange on New York from day to day. They will be furnished on request. Inquiries may be telegraphed or telephoned at our expense.

Copy of our latest bond list, containing suggestions for the reinvestment of funds realized from sale of the foregoing securities, may be had on request.

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Gasoline, Electricity and The Hydro Experiments

By JAMES HOUGH.

The scientist, the inventor and the wise old sage, whose trained minds seek out the truths that hide in tangled meshes of mechanical enigmas, have recently analyzed the virtues and applicability of gasoline and electricity and arrived at the infallible conclusion: That — as though arranged by an all-wise Providence— the uses to which the great energy of either can be properly and profitably applied to the service of man are in no event the same, that they dispense power for different purposes, occupy separate fields of operation, and are as distinct unto themselves as are the hydraulic press and the steam engine.

In places, however, both powers are required for efficient service, but only for one to take up its sphere of work where the other leaves off. On the farm, for instance, electricity lights the home, churns butter, makes toast, cooks meals, heats irons, pumps water, chops feed, lights the outbuildings, waters the stock, runs the threshing machine, and performs many labor-saving chores about the house and barn, but approaching the fields its efficiency ceases. For to erect trolley wires over every furrow and rails over every field to accommodate the electric tractor would be considered a mechanical monstrosity, and, therefore, the independent, self-propelled gasoline tractor is called into service; and, without more ado, does the plowing, the reaping, the hauling, the harvesting, the pulling, and all work a movable power is required to do as efficiently as electricity performs the stationary work about the house and barn.

Gasoline Efficiency

But to point out that the coveted ideal of those controlling the great endowment of hydro-electricity in trust for the people of Ontario is to erect just such a mechanical monstrosity over the province for the operation of electric trolley cars, that the farmer sees the absolute fallacy of erecting over his farm for the operation of electric tractors when a more rapid and a hundredfold more efficient, self-propelled tractor can be had for a fraction of the price, is to call down the condemnation of many who will accuse the writer of being a Bolsheviki to the Hydro's ideal and the father of a propaganda against the infallibility of the fetich.

Nevertheless, it is pointed out that the overhead trolley railway has been nothing more nor less than a makeshift from the day of its inception to the present time. To the expert its rail-tied, limit-bound, wire entangled, one stop all stop, short circuiting "power off," crude, cumbersome, unmechanical construction from the two rows of heavy poles supporting a slender wire over the ground rails for the entire length of the system, to the unoiled, friction creating trolley wheel down to the unstepable steps, have ever been a joke, and it has only been tolerated in the expectation of the arrival of something more practical, more mechanical and more free in individual car movement, to take its place.

And that something has now arrived, but the Hydro folk do not seem to have heard of it, or bothered much to find out something concerning the force that made its arrival possible. They seem unable to grasp the idea that gasoline, in all the majesty of its power, fresh from triumphant conquests on the fields of battle, where the "trolley" became a failure and the "motor" became a fact, has come to assert its sovereignty, and to drive out in ignominy all things that usurp its rights, of which the electric railway is the chief offender.

That gasoline is already digging the grave of the electric trolley is evidenced in the fact that few, extremely few, possibly not one scientist, inventor, engineer or mechanical expert of eminence, or even of note, is working for the betterment of the latter, knowing it has passed the apex of usefulness and is now in a decline from which no power of science can save it. Whereas, hundreds, yea, thousands of the world's most eminent men are devoting their time, study, heart throbs and brilliant minds to the perfection of the self-contained power vehicle in every field where its utility will be of value, even to that of producing wonderful self-propelled machinery for the rapid building of perfect roads for the cars to travel upon. The wonders these men will accomplish in the way of comfort, freedom, convenience, luxury, ease of riding, safety and speed will far surpass anything heretofore dreamed of for the transportation of passengers, and the coming self-propelled truck of prodigious immensity, with its interchangeable compartments and power derricks, will deliver freight direct from the door of the manufacturer or wholesaler to the customer or consumer within a radius of three or four hundred miles with the facility retailers now deliver goods to customers in large cities.

It is very doubtful that the population of the country over which the Hydro proposes to erect a network of trolley wires, would be sufficient, even if free from opposition, to support such a tremendous undertaking on a paying basis, for it must be borne in mind that electric railway cars go only where the rails lead them, which is usually over a main highway, from the population along which, alone, it gathers support. But, apart from the competition of the coming luxurious motor coach and prodigious freight truck, that of gasoline is such that every private automobile entering the field reduces the railway carrying population from two to six, every runabout from two to four, every motorcycle and motorbike from one to two, and when the "three-wheel-fly-about," which is now on the way, arrives like swarms of bees, it will fall rapidly by twos and threes for every car, for people do not purchase private "motors" and ride in public "trolleys." Every motor truck that arrives on the scene will reduce the trolley's freight carrying possibilities from one to three cars of freight per day, and when, in the not distant future, the highways become crowded with from fifty to one hundred self-propelled cars to one electric trolley, the latter will be entirely deprived of subsistence and die of starvation.

It is, therefore, well without the domain of prophecy and far within the realm of fact to state that no cumbersome, rail-tied, limit-bound coach can ever compete with the clean-cut, free-moving, independent, self-propelled power vehicle, and that gasoline as surely destines the former to follow the stage coach, the horse-car and the cable railway into oblivion, as did electricity destine the coal oil lamp and hydrogen gas to follow the candle into obscurity.

Is it not time the people and the financial institutions began to look to that day when the Hydro's mammoth monstrosity must meet inevitable failure, and to realize where the millions on millions of dollars invested in its construction, and where the credit of the two hundred odd municipalities who put up the bonds to raise the millions are bound to go— or are they blind to the shadows of doom the coming event casts all around them?

THE MAN WHO MADE THE C.G.E.

Continued from page 10.

ly. "One-thirty train for Montreal, isn't it? Well, then, I'll have to get along. English house wants quite a tidy little list of equipment—Norwegian power development, I believe. The order will keep us going for a year." Nicholls rose from his seat. Gathering up his papers he carefully returned them to his pocket, he knocked the ashes out of his pipe and reached for his hat.

The corporation president smiled. "Nicholls," he said, "sit down, you win." The official signature was placed on the best contract Nicholls ever closed.

Doesn't Know "Can't"

Between intolerance and intelligence Senator Nicholls maintains an exact balance. The word "can't" does not exist; he buries it in energy. For inefficiency he has no patience; he defeats it with work and courage. He frequently puts in two hours' study before breakfast, when it has been his custom to examine and compare the reports that keep him in intimate touch with the progress of his various departments. Even in his pleasures he has been energetic and precise. Recreation is enjoyed in compressed tabloid fashion; he takes his rest strenuously. A motoring or yatching vacation must conform to prearranged schedule, yet both receive a personal appreciation. He understands the eccentricities of an intractable motor and his monograph on "Yachting Etiquette" is the acknowledged authority in the Royal Canadian Yacht Club, of which he has been Vice-Commodore.

It is perhaps a far cry from a modern 50,000 K.W. Hydro Electric turbo generator, to the hazy beauty of a Corot landscape; from a 100-ton locomotive to the delicate heliotrope hue in orchids, yet this is the mental range of Senator Nicholls. Few private collections of famous paintings in America rival the many works of old masters that hung on the walls of his house while at "Shadow Brook" farm, the ceaseless whir of finance and motors is forgotten in garden beauties of which the owner is worthily proud. Also it is rumored that few, very few, indeed, of the other captains of Canadian industry can fry a chop or poach an egg as skillfully as the chairman of the Canadian General Electric Co. when, with a choice friend, the Senator prepares the supper at his farm.

The stages of growth of the Canadian General Electric Co., from the earliest parent company, to its present position of paternality to a dozen subsidiaries, are an orderly progression, attended by few reverses and much success.

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We maintain one of the most extensive Victory Bond Buying and Selling Organizations in Canada.

This has grown naturally, because of the volume of our Victory Bond transactions.

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NEWS OF THE BOND MARKET

EXPENDITURES UP BUT INCOME ALSO GROWS IN ALBERTA

Hon. C. R. Mitchell's Budget Speech Brings Forth No New Taxes

SELL BONDS AT HOME

Provincial Treasurer Reports That Fine Market for Alberta's Bonds Exists Within The Province

While Alberta's expenditures are increasing greatly to care for the expansion of that progressive Western province, no new forms of taxation are planned for the present year. Presenting the budget of the province, Hon. C. R. Mitchell, the provincial treasurer of Alberta, stated that the province would carry through for another year on the present basis of taxation. The total revenue for the present fiscal year was estimated by Mr. Mitchell at $12,778,898, and current expenditures at $12,736,284. Last year's actual revenue amounted to $10,919,776 and actual expenditures $10,423,356, leaving a cash surplus for the year of $496,420.

A statement of the assets and liabilities of the province showed an excess of assets over liabilities of $104,660,483. The gross public debt of the province at the beginning of 1921 was $41,989,900, of which $23,121,546 was in revenue producing public utilities—the chief of which is the telephone system—and leaving a net debt of $18,868,354.

Market for Bonds Built Up

The coming $2,000,000 domestic loan, previously mentioned in THE FINANCIAL POST, was discussed by Mr. Mitchell. He said:

"I am sure few of us realize such a strong market for Alberta bonds existed at home. Aggressive advertising methods, however, have resulted in a new interest in bond investment and a wider knowledge among all classes of our people as to the merits of this form of investment over all others. In pre-war days it was not so. Now bond buying by the public is considered as an ordinary matter of good business. People are commencing to realize that they do not need to be wealthy to join the ranks of bond holders. The Alberta treasury has endeavored to stimulate this idea by continuing the sale of Alberta Savings Certificates in small denominations so that a beginning in thrift can be made by the most humble in circumstances. This Savings Agency has developed the savings spirit in very many people at a time when all should economize in order to successfully meet the readjustment of this trying period of history.

"The total net amount of Alberta Savings Certificates issued and sold during the year 1920 amounted to $1,166,740, this being over and above withdrawals. The total amount outstanding for the full period since the inception of the plan is $2,840,059."

Need More Municipalities

More organized municipalities are needed in Alberta, Mr. Mitchell stated. On this point he said:

"There is an increased interest in the organization of hamlets into villages and there should be a decided increase in the organization of municipal districts; there being at the present time 26 with an average assessable area as great as the average of all the present districts and 13 more with an average greater than the smallest of the present municipal districts."

TORONTO S. S. BONDS TO NATIONAL CITY CO.

The National City Company purchased $350,000 of Toronto Separate School bonds on a 6.27 basis this week. The bonds are 6 per cents., running for 20 years. Tenders:

National City Co.	96.79
R. C. Matthews & Co. and United Financial Corp.	96.17
Dominion Securities Corp.	95.86
A. Jarvis & Co.	95.49
Wood, Gundy & Co.	94.54
Dyment, Anderson & Co. and G. H. Burgess & Co. (For $100,000 and option).	95.52

A STONE FOR BREAD

When the representatives of the associated banks in Peking called upon His Excellency, Chow Tze Chi, Minister of Finance of the Chinese Government of Peking, to inform him that they would make no loans to the Chinese Government for administrative purposes, but would be glad to make loans for the building of roads, mints, arsenals, and other government institutions, Chow said:

"I come to you as a starving man to ask for food and you tell me you will not give me anything to eat but you will be glad to build me a palace with ten baths in it."

UNITED FINANCIAL BUYS QUEBEC BONDS

Rate of 6.15 Per Cent. Secured On Big Block of School Bonds

An issue of $700,000 of bonds of the Quebec Catholic School Commission was sold to the United Financial Corporation this week. The bonds were ten-year 6's and at the price received, 98.92, the basis was 6.15 per cent.

Tenders received were:

	10-yr. 6's.	30-yr. 5½'s
United Fin. Corp.	98.928	
Mun. Debenture Corp. and Versailles, Vidricaire & Boulais	98.89	91.08
Hanson Bros., Harris, Forbes & Co., and Dominion Securities Corporation	98.876	89.461
Rene-T. Leclerc	97.76	
Beausoleil, Ltd.	98.71	
Credit Anglo-Francais	98.67	
Nesbitt, Thompson & Co.	98.53	91.08
Prov. Securities Corp	98.30	
Wood, Gundy & Co.	98.28	
A. E. Ames & National City Co.	98.27	93.77
L. G. Beaubien & Co.	98.25	

B.C.'s $2,000,000 ISSUE TO STATES

Dominion Securities Corp. Will Offer Bonds Across The Line

Rejecting bids for twenty-year bonds of Canadian payment, that would have worked out at about 6.40 per cent., the province of British Columbia sold its issue of $2,000,000 this week to the Dominion Securities Corporation for re-sale in the United States.

The bonds, which will be five-year 6's, were sold at 103.77, Canadian funds.

Tenders were asked alternatively for five or ten-year bonds payable in the United States and for twenty-year bonds payable in Canada and the following bids were received:

For Bonds Payable in U. S.

	Five year.	Ten year.
Dominion Securities Corp.	103.77	101.317
R. C. Matthews & Co., A. Jarvis & Co., Halsey, Stuart & Co., Wells, Dickey & Co., Minnesota Loan & Trust Co., R. H. Moulton & Co., First National Co., Detroit; Cyrus Pierce & Co.	101.92	99.66
W. A. MacKenzie & Co., and R. A. Daly Co.	102.23	98.72
Wood, Gundy & Co., and A E. Ames & Co.	99.54	97.39
Carston, Earles & Co., and Seattle National Bank	102.31	....

For Bonds Payable in Canada Only.

	Twenty years.
A. E. Ames & Co., Wood, Gundy & Co., and Dominion Securities Corporation	96.35
R. C. Matthews & Co., R. A Daly & Co., and W. A. Mackenzie & Co.	95.31
A. Jarvis & Co., and Hanson Bros. (for $1,000,000 only)	95.21

EASTVIEW ISSUE

Turner, Spragge & Co. have purchased $38,000 of twenty-year 7 per cent. bonds from the town of Eastview. The price received was 102. The sale of an additional issue was reported in the daily press but this was an error.

Eastview is a community adjoining Ottawa.

BORROW AT HOME HON. EDW. BROWN'S PLAN IN FUTURE

Manitoba Will Avoid Issuing Bonds Payable Net

YEAR OF PROGRESS

Debt of Province has Grown to $51,000,000, Largely in Self-Sustaining Enterprises

That Manitoba will borrow in Canada, instead of in the American market, in the future was the statement of Hon. Edward Brown, provincial treasurer of that province, in presenting his budget. Mr. Brown pointed out that the present administration had issued all its bonds payable in New York, owing to the effect of the Victory Loan campaigns on the Canadian market. Mr. Brown said:

"There are no Manitoba bonds outstanding in Canada at present. Following the policy established by our savings offices we desire to borrow from our own people for all purposes, including that of farm loans. It is expected that the term of future issues will not be less than fifteen years and not longer than twenty years and the interest rate will be 6 per cent., as no lower rate will be acceptable."

The province is not opening up any new sources of revenue during the coming year, but will derive its income through present channels. Taxes will be increased on wild lands, automobiles and incorporated companies, who will be called upon to pay a tax of one per cent. on gross profits.

Revenue of the province during the year was $10,482,472 as compared with $8,986,076 a year ago and expenditures were $10,942,809 as compared with $8,544,791. Both revenue and expenditure exceeded the estimates and there was a deficit for the year on current account of $460,337 as compared with a surplus during the previous year of $441,285. For the coming year revenue is estimated at $9,770,172 and expenditure at $9,740,078. The apparent decline is due to the action of the minister in separating the telephone accounts from the ordinary accounts of the province.

The debt of the province has reached the large total of $51,000,000, of which $31,500,000 is self-sustaining. Twenty-three per cent. of the gross debt is represented in the treasury of the province.

Mr. Brown said during his address:

"From the standpoint of the activities of the government the past year has been the year of greatest progress in the history of the province.

"While during the past six years the debt of the province has greatly increased, yet a considerable portion of the increase has been used for greater productive purposes, the benefits from which are now being widely felt.

"In spite of the fact that we do not yet control our natural resources the assets of the province have greatly increased and now represent almost $100,000,000."

THREE RIVERS ISSUE TO MONTREAL HOUSE

Provincial Securities Corporation, of Montreal, were successful bidders for an issue of $250,000 of bonds sold by Three Rivers. The bonds bear 6 per cent. interest and are repayable in thirty instalments. The high bid was 97.77, or a basis of 6.10 per cent.

The tenders received were as follows:

Provincial Securities Corp.	97.77
Beausoleil, Ltd.	96.97
A. E. Ames & Co.	96.33
C. H. Burgess	96.07
Rene-T. Leclerc	95.64
Hanson Bros.	94.37

ELISE REJECTS BIDS

All bids were rejected by the rural municipality of Elise, Manitoba, for a $49,000 issue of 6 per cent. thirty-instalment bonds it offered this week. The bonds will be sold locally. The tenders included:

Royal Securities Corp.	96.35
R. C. Matthews & Co.	95.88
Edward Brown & Co.	96.33
A. E. Ames & Co.	95.66
Bond & Debenture Corp.	95.40
W. A. Mackenzie & Co.	95.11

TORONTO TOWNSHIP BONDS

Neelys, Limited, of Toronto, have bought $78,000 of 6 per cent. twenty-instalment bonds of Toronto township, Peel county, Ontario, at 98.75.

This is on a basis of 6.15 per cent.

The funds are required for highway purposes.

TORONTO SELLS MORE

The city of Toronto has sold an additional block of bonds to the same syndicate which purchased the recent $5,037,000 issue. The bonds were sold privately to the members of the syndicate, who are Wood, Gundy & Co., A. E. Ames & Co. and Aemilius Jarvis & Co.

BOND MOVEMENTS OF THE WEEK

Bonds—	Int. Rate.	Due Year.	Yield	Range 1921 High	Range 1921 Low	Latest price, week end. Mar. 22. Ask	Bid	High	Low	Sales
Asbestos	5	1942	6.88	80	77	..	78½	79	..	$ 200
Bell Telephone	5	1925	6.67	93	91¼	93¼	93	93	..	3,000
Can. Bread	6	1941	7.58	86	84	84	..	84	83½	2,000
Can. Cement	6	1929	6.92	94	91½	..	93	94	..	1,000
Cons. Rubber	6	1946	6.92	90	86	88	..	89	..	800
Can. Car	6	1939	7.17	88	..	..	..	88	..	100
Cedar Rapids	5	1953	5.78	88½	86⅛	..	88½	88½	87	14,200
Dom. Coal	5	1940	6.[illegible]3	87¼	86	..	87	87	..	500
Dom. Iron	5	1929	8.05	82	75	81½	..	81	..	4,000
Elect. Dev.	5	1933	5.83	93	92	93½	92½	92½	..	500
Montreal St. Rly.	4½	1922	7.78	94	..	..	..	94	..	1,000
Mont., Dec., '22	6	1922	3.40	108½	96½	..	109	108½	105	4,200
Do., May, '23	6	1923	3.20	108	103	..	108	108	104	1,100
Ogilvie "C"	6	1932	6.57	95¾	93	..	94½	95¾	95¼	25,000
Price	5	1940	6.43	84	78	..	80	84	..	4,450
Quebec Rly.	5	1939	8.58	68	59	65	64	65	64½	10,100
Sao Paulo	5	1929	8.20	82	70	80	..	80	78	31,000
Steel Co.	6	1940	6.58	95	92½	95	94	94	93	7,500
War Loan (1925)	5	1925	6.18	95¾	92	95	94½	95⅛	94⅛	34,100
Do., (1931)	5	1931	5.91	95¼	90¾	93	92¾	92⅞	92¼	14,100
Do., (1937)	5	1937	5.17	98½	94½	98	97¾	98	97¼	94,900
Victory, (1922)	5½	1922	6.31	99¼	96⅝	98⅝	98½	98¾	96⅝	203,650
Do., (1923)	5½	1923	6.43	99	95½	97⅝	97½	98	97¼	145,100
Do., (1924)	5½	1924	6.58	98½	94¼	96⅜	96¼	96½	96	245,150
Do., (1927)	5½	1927	5.94	99⅛	95¼	97⅝	97½	97¾	97	148,400
Do., (1933)	5½	1933	5.68	99	95⅛	98⅜	98¼	98⅝	98	358,400
Do., (1934)	5½	1934	6.03	96⅛	92¼	95	94⅞	95¼	94⅞	347,250
Do., (1937)	5½	1937	5.54	100½	96½	99⅝	99½	99¾	99⅛	460,800

SASK. GUARANTEES SOME MUNICIPALITIES

Credit of 93 Rural Municipalities is Backed by The Province

From Our Own Correspondent.

REGINA.—Many problems of importance came up for discussion at the annual meeting of the Saskatchewan Association of Rural Municipalities held in Regina last week. The convention was attended by over 1,000 delegates from all parts of the province. Probably the most important feature of the convention was the announcement of Premier Martin that a commission would be appointed to inquire into taxation.

The premier declared incidentally that the provincial Government has guaranteed the credit of 93 rural municipalities. Assuming that some of the municipalities were not able to meet their liabilities and if the amounts were not large it might be necessary to levy a rate all over the province to meet them.

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CIVIC AND PROVINCIAL FINANCE

MUNICIPALITIES IN B.C. DEMAND PROVINCIAL HELP

Many Will Go Bankrupt If Relief Is Not Given

NEW TAX SUGGESTED

Province Takes View That Municipalities, Having Incurred Debts, Should Pay Them

From Our Own Correspondent.

VICTORIA.—The municipalities of British Columbia, with cost of maintenance steadily mounting and access to new revenue closed, have been making strenuous efforts to obtain relief from the provincial Government for many months, and during the present session of the legislature here their representatives are making a vigorous fight for recognition.

Premier Oliver, as spokesman for the Government, has so far given the municipalities little hope, his attitude being summed up in his oft-repeated statement that the municipalities ordered the music and now they must pay the piper. The situation before the municipalities, however, has become so serious and the need for readjustment financially so pressing that it is argued that causes need not be considered so much as the remedy.

Suggest a Special Tax

The municipalities, through their parliamentary agent, F. A. McDiarmid, have suggested a remedy in the form of a direct tax for hospital and school purposes amounting to an average of five cents per day from every man, woman and child "at work within the province" and the same amount from others in the province outside this category and from corporations.

It is the claim of the municipalities that the taxation system in the province has broken down, and that this conclusion is glaringly apparent on the face of the last report of the inspector of municipalities, Robert Baird. This report shows an outstanding arrears of taxation of $12,094,121.37, although millions of dollars of arrears have been written off, because the property has reverted to the municipality at tax sales. It shows a shortage in the sinking funds of the municipalities of $5,289,012.15—an increase of $83,000 over the previous year.

End of	Arrears.
1914	$ 5,994,230.42
1915	9,366,375.94
1916	11,855,777.50
1917	13,680,127.60
1918	14,631,216.65
1919	12,094,121.37

MONEY TROUBLES OF MONTREAL SUBURBS

All May be Brought Under Metropolitan Commission For Control

From Our Own Correspondent.

MONTREAL.—The serious financial condition of three municipalities adjoining Montreal — Pointe aux Trembles, Montreal North and St. Michel de Laval—has been causing some anxiety in this city and all Quebec. It was proposed at first that the three towns should be annexed to Montreal, and this probably will be the final decision, but in any case it seems certain that a metropolitan commission will be appointed to supervise not only their finances but those of a number of other towns and cities on the island besides the city of Montreal. A draft of the "Metropolitan Commission Bill" which was issued at Quebec on Tuesday provides that the following municipalities will come under the control of the commission for financial supervision: Montreal West, Outremont, Westmount, Verdun, Lachine, Ville St. Pierre, La Salle, Hampstead, St. Laurent, Mount Royal, Montreal North, St. Michel, Montreal East, Pointe aux Trembles and Laval de Montreal.

Provision is made that loans authorized by municipalities in the past will remain under the control of the municipalities so long as the necessary provision is made for sinking fund and repayment but should they default in regard to payment, the control of the loan automatically comes under the commission.

The municipalities of Montreal North, St. Michel, Pointe aux Trembles and Laval de Montreal are given until September, 1921, in which to pay their actual debts before becoming subject to this law.

A statement presented at Quebec showed that Pointe aux Trembles owes $2,203,000 on a valuation of $5,000,000, or 42 per cent.; that Montreal North owes $1,382,000, on a valuation of $3,455,883, or 40 per cent., and St. Michel de Laval owes $2,229,112, on a valuation of $2,431,805, or 92 per cent.

WILL GUARANTEE IRRIGATION BONDS

Alberta Formulates Policy — Back Bonds if Schemes Are Passed

Alberta's long-discussed irrigation question has been brought to a definite provincial policy by the provincial Government. Following a series of cabinet meetings, Premier Stewart has announced that the province will give its full guarantee as to principal and interest to the bonds of irrigation districts, formed under the General Irrigation Act and passed upon by Government engineers. Each scheme will be dealt with separately where a guarantee is sought.

Probably the first scheme to ask for the Government guarantee will be the Lethbridge Northern. This district attempted to sell its bonds last fall, but as they lacked a full Government guarantee there were no offers.

EDMONTON SEEKS NEW TAX SOURCES

City Lost $100,000 on Portland Bond Deal, To be Met By Tax

From Our Own Correspondent.

EDMONTON. — Some additional means of adding to the city's revenue will be absolutely necessary [illegible] the ensuing year, and the civic authorities have been looking about for ways of doing it. In addition to the regular running expenses of the city, a bill of about $100,000 has been incurred as the loss sustained through the Portland bond deal, and this will be provided for by adding one mill to the tax rate.

A new rental tax which is to be levied under an amendment to the city charter will provide $100,000 extra. The city council threw out a proposed poll tax that has been under discussion at intervals for two years past, and in its place it is now proposed to put on a service tax as an alternative. This will be payable by all adult residents, except married women living with their husbands, and will be at the rate of not less than $5 nor more than $25, according to a classification that has already been fixed. It is estimated that about $225,000 can be raised by this tax.

Edmonton now has $9,000,000 worth of land that the city has taken over in tax sales, about one-third of which was the result of the 1920 sales. This property is still on the assessment roll, but it will not yield a revenue this year, and for this, among other reasons, additional sources of revenue will be necessary.

MONTREAL WEST ISSUE

Bought by Versailles, Vidricaire & Boulais

Versailles, Vidricaire & Boulais have purchased $282,000 of bonds of the town of Montreal West.

The issue was of 10, 20, 30 and 40-year 5½ per cent. bonds and the price paid by the purchasers was 91.8625.

Bids received were:

Montreal West Issue	.....
Versailles, Vidircaire & Bourlais	91.8625
Beausoleil, Ltd. (for 10 yrs.)	94.50
Dominion Securities Corp.	90.67
Hen. R. Wood	90.478
Hanson Bros.	88.87

Money By-Laws

TENDERS WANTED

Mar. 26, Drumheller, Alta. — $28,000, 7 per cent., 20-year Hospital debentures. S. P. Williams, Sec.-Treasurer, Drumheller.

Nokomis, Sask.—$20,000, 8 per cent., 15 instal. debentures. G. L. Campbell, Town Clerk, Nokomis. (See announcement elsewhere in this issue).

April 1, Nova Scotia.—$1,500,000. Particulars as to terms from Provincial Treasurer, Halifax, N.S.

BY-LAWS TO BE VOTED ON

Mar. 28, Stouffville—$12,000 to build a municipal owned rink.

Apr. 5, Winnipeg.—$2,000,000 for new schools.

DEBENTURE NOTES

Essex.—The County Council recently passed a by-law authorizing the expenditure of $650,000 to build good roads.

Toronto.—The City Council has authorized the Harbor Commission to issue debentures to the amount of $4,000,000

BRITISH COLUMBIA

The following certificates have been issued by the Municipal Department of the Province of British Columbia upon the following dates:

March 9, 1921—The Corporation of the City of Trail—"Waterworks Debenture By-law" 1920, No. 256, $37,000, payable in twenty years with interest at 7 per cent., payable half-yearly.

March 9, 1921.—The corporation of the City of Trail—"Park Improvement Debenture By-law," No. 257, $5,000, payable in twenty years with interest at 7 per cent, payable half-yearly.

March 16, 1921—The Corporation of the City of Kamloops—By-law No. 302 authorizing the building and equipment of a public school, together with necessary appurtenances, $18,000, payable in fifteen years, with interest at 7 per cent., payable half-yearly.

SASKATCHEWAN

The following is a list of authorizations granted by the local Government Board from March 5th to March 12th, 1921:

Schools.—Pitt, $3200; Loon Lake, $1000; North Star, $1500; Lone Spruce, $1200; Alluvia, $1500; Pinehurst, $3000; Rosewood, $7000; Crocus Vale, $3500; Wimmer, $4500.

Village.—Hawarden, $1500.

The following is a list of debentures reported sold from March 5th to March 12th, 1921:

Yorkton S. D., $45,000, 20 years, 7 per cent, Regina Sinking Fund Trustees. Cabri S. D., $3,500, 15 years, 8 per cent.; Nelson S. D., $3,000, 10 years, 8 per cent., C. C. Cross & Co., Regina. Pauline S. D., $3,800, 10 years, 8 per cent., Waterman-Waterbury, Regina. St. Imre S. D., $600, 8 years, 8 per cent., Tarnoville S. D., $1,175, 10 years, 8 per cent., McLaren S. D., $1,400, 10 years, 8 per cent., Sniatyn S. D., $2,000, 10 years, 8 [illegible], C. C. Cross & Co., Regina. West Otthon, $850, 5 years, 8 per cent., Chas. Reusch, Otthon.

Rural Telephones.—Victor R. T. Co., $1,000, 15 years, 8 per cent., A. L. Koyl & Co., Saskatoon. Ridpath R. T. Co., $1,000, 15 years, 8 per cent., A. L. Koyl & Co., Saskatoon. Renown R. T. Co., $4,000, 15 years, 8 per cent., H. C. Well, Regina. Kansas R. T. Co., $3,800, 10 years, 8 per cent., H. C. Well, Regina. Dinsmore R. T. Co., $15,000, 15 years, 8 per cent., Wood, Gundy & Co., Saskatoon. Bertdale R. T. Co., $6,300, 15 years, 8 per cent., C. C. Cross & Co., Regina.

City.—Saskatoon, $52,200, 20 years 6½ per cent., Saskatoon Sinking Fund, Saskatoon.

Town.—Kerrobert, $4,500, 10 years, 8 per cent., various, Kerrobert.

Rural Municipalities.—Star City No. 428, $12,000, 10 years, 8 per cent, various, Naisberry. Norton No. 69, $6,000, 10 years, 8 per cent., C. C. Cross & Co., Regina.

MUNICIPAL NOTES

Assessment is Growing

Regina's taxable assesment for 1921 is almost $600,000 more than last year. The total assessment this year is $58,760,740 on which there are exemptions of $15,219,470, leaving a total taxable assessment of $43,541,740. In 1920 the total taxable assessment was $42,941,880.

Oak Boy's Good Position

While many British Columbia municipalities are having considerable difficulty with their finances, the district of Oak Bay, in that province is making exceptionally fine progress. According to the annual statement of the municipality for 1920, which has just been issued tax collections during the year amounted to 87.34 per cent. on the current levy and in addition, of the arrears of taxes at the beginning of 1920, amounting to $98,824.12, 79.41 per cent. was collected during the year, the arrears at December 31, 1920 amounting to $52,025.70.

The sinking fund amounted to $442,427, or $32,675.22 more than the required amount. The surplus is increasing annually, due to the investment of the funds in Dominion and Provincial bonds, yielding an average return of 5.60 per cent.

Tax Rate for 1921

Cranbrook, B.C.	45 mills
Orillia, Ont.	46 mills
Coquitlam District, B. C.	14 mills
Saskatoon	46.45 mills
Port Arthur	41 mills

"Bond Analysis"
Under present conditions investors have the opportunity of purchasing Canadian bonds at bargain prices. Those who are in a position to purchase securities to-day are undoubtedly securing them at low levels, and may expect considerable appreciation in their investments over the next few years.
The March issue of "Bond Analysis," a monthly publication for investors who desire to keep posted in the Bond markets, is now ready.
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WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place	Sold to	Rate	Term	Amount	Price	Basis
Mar. 23	Montreal West	Versailles, Vidricaire & Boulais	5½%	10-40	$282,000	91.8625	....
Mar. 23	Quebec Schools	United Financial Corp.	6%	10-yr.	700,000	98.92	6.15
Mar. 17	Eastview	Turner, Spragge & Co.	7%	20-yr.	38,000	102	6.80
Mar. 23	Three Rivers	Provincial Securities	6%	30-in.	250,000	97.77	6.10
Mar. 20	Toronto Township	Neelys, Ltd.	6%	20-in.	78,000	98.75	6.15
Mar. 17	Bridgewater, N.S.	W. F. Mahon & Co. and Royal Sec. Corp.	5&6%	30&40	65,000	.....	....
Mar. 17	Grey R.M., Man.	W. L. McKinnon & Co.	5½%	29-in.	25,000	91.10	6.38
Mar. 17	Perth	W. L. McKinnon & Go.	6%	30-in.	83,500	.....	....
Mar. 17	Halifax Co., N.S.	Eastern Securities Corp.	6%	20-yr.	15,000	98.63	6.12
Mar. 24	Toronto S. Schools	National City Co.	6%	20-yrs.	350,000	96.79	6.27
		PROVINCIAL					
Mar. 20	British Columbia	Dominion Securities Corp.	6%	5-yr.	2,000,000	103.77	Py.N.Y.
		INDUSTRIAL					
Mar. 23	Western Quebec Power	Balfour, White & Co.	6½%	10-yrs.	200,000	.....	....
Mar. 23	P. T. Legare Co., Ltd.	Versailles, Vidricaire & Boulais	7%	10-yrs.	1,200,000	.....	....

OUR GOLDEN JUBILEE
1871 - 1921
FIFTY YEARS OF SERVICE
Sun Life Assurance Company of Canada
Head Office: Montreal

UNION FIRE AND CASUALTY
Canada's *Zenith* Company
Authorized Capital - $500,000.00
WINNIPEG, MANITOBA
Underwriting
FIRE AND MARINE
Automobile - Plate Glass - Live Stock
Health and Accident Surety and Bonding

Automobile Insurance
Lowest Rates
Non-tariff
BEST SERVICE QUICKEST ADJUSTMENTS
Agencies in Provinces of Ontario, Quebec, Maritime and Newfoundland Wanted.
R. C. SANBORN, GEN. AGENT, Eastern Canada
904 Royal Bank Building, Toronto

BRITISH COLONIAL
FIRE INSURANCE COMPANY
MONTREAL
Canadian—Strong—Progressive
General Fire Insurance Business Transacted
Theodore Meunier, Manager

The Independent Order of Foresters
Furnishes a Complete System of Insurance
Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.
Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.
Policies issued from $500 to $5,000. For further information and literature, apply to
Benefits Paid 66 Million Dollars
R. MATHISON, Secretary
W. H. HUNTER, President
HEAD OFFICE - TORONTO

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
A Canadian Company Investing Its Funds in Canada
APPLICATION FOR AGENCIES INVITED
TORONTO: 20 KING ST. W. W. H. George, Superintendent of Agencies

1870 --- OUR GOLDEN JUBILEE --- 1920
FIFTY-ONE YEARS OF STEADY PROGRESS
One of the most brief yet impressive histories of Canadian financial institutions is contained in the annual record of the Mutual Life of Canada. The current issue will be ready in a few days. A copy will be sent to you on application. It contains fifty-one successive summaries showing in ten parallel columns the increase from year to year of the company's various receipts, expenditures, etc. No other document could better convey the idea of solid uniform achievement, and the momentum of the advance is now greater than ever. The prospects are bright for a still more rapid expansion within the next few years. The assets of the company exceed $40,000,000 and the assurances in force have reached $206,000,000. There is a gross surplus of more than five million dollars over and above the amount necessary to guarantee all policies, so that the position of the company in spite of the strain of recent years is one of uncommon strength.
THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA, WATERLOO, ONTARIO
HUME CRONIN, M.P., President - - - CHARLES RUBY, General Manager

5½% Interest Return
INVEST YOUR SAVINGS
In a 5½ DEBENTURE of The Great West Permanent Loan Co.
SECURITY
Paid-up Capital $2,412,578.81
Reserves 964,459.39
Assets 7,086,695.54
HEAD OFFICE, WINNIPEG
Branches: Toronto Regina Calgary Edmonton Vancouver Victoria Edinburgh, Scotland

When selecting a Trust Company as an Executor, choose one whose fixed policy is to give
FINANCIAL ASSISTANCE
to Estates being administered by it
PAID-UP CAPITAL AND RESERVE $1,172,000
The Imperial Canadian Trust Co.
EXECUTOR, ADMINISTRATOR, ASSIGNEE, TRUSTEE, ETC.
HEAD OFFICE: WINNIPEG
BRANCHES: SASKATOON, REGINA, EDMONTON, CALGARY VANCOUVER AND VICTORIA

INSURANCE AND REAL ESTATE

MARINE CLAIMS REDUCE PROFITS OF WESTERN CO.

Credit Balance on Year's Transactions Amounts to $57,478

MANY DIFFICULTIES

Forced to Curtail Marine Branch—Heavy Burden of Taxation—Dividend Outlook

Insurance companies which include a marine department along with their other branches of business were particularly handicapped during the past year by developments which adversely affected this class of insurance. These arose mainly out of the apparent increased laxity of the public morals, which displayed itself in an extensive programme of thieving or pilfering from goods in transit, and from the fact, too, that many old vessels and also many of those hurriedly built during the war could no longer trade at a profit.

The annual statement of the Western Assurance Company shows that a serious inroad has been made in earnings to meet claims falling due in the marine department. While gross earnings are in excess of those for the previous year the marine claims and others have been particularly heavy. Marine premiums total $1,743,213, while the losses and other expenses amount to $2,148,492, leaving a debit balance in this department of $404,846. During the latter half of the year the claims under marine policies became so heavy owing to thieving and poor handling of goods in transit that it became necessary to curtail this branch of the company's business. In the fire department the premiums amounted to $3,527,612, and the losses and expenses to $3,282,456, leaving a credit balance of $245,165. After crediting the interest income of $217,169 there is credit balance on the year's transactions amounting to $57,478.

During the year the dividend on the preference stock was paid, together with a dividend of 6 per cent. upon the common stock. A half-yearly dividend of 3 per cent. on the common has been declared, payable March 15. The accounts for the past two years compared as follows:

	1920.	1919.
Bal. forward	$ 365,097	$2,312,911
Fire premiums ...	3,527,612	3,286,282
Marine premiums ..	1,743,645	2,024,105
Int. and rents ...	217,169	223,606
Increase on sec's..	4,968	....
	$5,858,493	$7,846,906
Fire losses & Exp.	3,282,456	2,754,593
Marine losses and Exp.	2,148,492	2,020,567
	$5,430,948	$4,775,163
Pref. div.	70,000	105,000
Com. div.	90,000	....
Written off	5,738	15,384
Unreported losses .	....	125,000
Unearned prem. for unexpired risks .	108,053	2,436,199
Other expenses ...	....	125,061
Balance	$ 153,752	$ 365,099

President W. B. Meikle, at the annual meeting, discussed the difficulties under which the company operated during 1920. The value of all insurable property, he pointed out, had rapidly advanced during recent years, so that fire premiums had correspondingly increased, and thus the premiums had been able to take care of those losses which owing to increased values reached very large figures. Now that values were on the down grade the amounts insured and the premiums also were falling. Taxes were now a very heavy charge, he added. Last year the Western Assurance Company's taxes amounted to no less than $213,388, representing over 4 per cent. of the premium income and the equivalent of a dividend of over 14 per cent. upon the common stock. Speaking of the dividend outlook, he pointed out that it was impossible to forecast whether or not the common dividend would be paid in September next. That depended on how the business showed up in the summer months, during which most of the profit was made. This company has enjoyed a succession of profitable years, the annual profits for the past ten years aggregating nearly $4,000,000.

Assets at the close of the year amounted to $7,926,261, a decline from $8,337,953 at the close of the previous year. After making provision for outstanding liabilities and special reserves to the extent of $2,728,255, and liabilities for unearned premiums to the amount of $2,544,253, there was left a surplus to policyholders at $2,653,752 compared with $2,865,097.

FIRE INSURANCE COMPANY OF CANADA

Second Annual Statement Shows Satisfactory Progress

From Our Own Correspondent.

MONTREAL.—The second report of the Fire Insurance Company of Canada is an encouraging one in showing an unexpected development in so young a company. The gross premium written, less cancellations, amounted to $405,404, showing an increase of $80,333 over the preceding year. The net business written amounted to $202,136, an increase of 18 per cent. The expense ratio, including all taxes, was kept down to 35.43 per cent.; comparing with an average of 40.27 of all Canadian companies during the year 1919. The loss ratio amounted to 44.76 per cent. of the premium received.

The profit and loss account showed gross profit for year of $54,652 with $42,118 added to reserve, leaving net profits for the year of $12,534, which added to the balance of $17,537 brought the balance at credit of profit and loss at the end of 1920 to $30,071.

The balance sheet shows cash on hand, $39,427, and stocks and bonds, $374,769. The reserve fund amounts to $114,933.

The president of the company is Senator Dandurand, with J. E. Clement vice-president and managing director.

1920 FIRE LOSS REACHES TOTAL OF $27,800,000

Large Proportion of Canada's Fire Waste Due to Carelessness

TEN YEARS' RECORD

The fire loss of property in Canada for the year 1920, according to statistics compiled and published by the Commission of Conservation at Ottawa, reached a total of $27,800,000, which with one exception is the highest loss for any single year within the past ten years. In 1918 the loss was higher at $31,815,844, while for 1919 the total stood at $23,207,647. When it is definitely known that 85 per cent. of this loss is due to no other cause than carelessness, the need is at once recognized of the necessity of still greater care and thought upon the subjects of fire prevention and control.

During the past ten years, 1910-1920, Canada's fire waste from destruction of property alone has reached a total of almost $230,000,000, as follows:

1911....	$21,459,575	1916....	$20,487,509
1912....	21,083,819	1917....	20,086,085
1913....	23,305,408	1918....	31,815,844
1914....	21,583,118	1919....	23,207,647
1915....	19,022,332	1920....	27,800,000

To guard against fire loss, in one form only, the report points out, that of insurance, the insurance companies collected in premiums approximately $311,506,000, out of which they returned in payment to policyholders for losses approximately $161,100,000. During 1920 in addition to the fire loss of $27,800,000 there was paid approximately $26,000,000 in insurance premiums over and above the amount returned to policyholders. In addition interest and upkeep of waterworks represented an annual expenditure of $6,200,000, while to provide fire protection by fire departments, including interest on capital invested in equipment, maintenance, etc., called for $7,640,000 annually. Private fire protection entailed an annual cost principally upon business interests of $6,350,000. The report continues as follows:

With the total of $73,990,000 as the 1920 cost of fires and protection the lack of interest by the general public in fire prevention is amazing. With an estimated population of 8,000,000, Canada is paying a tax of $9.25 per capita, or on an average family of five, $46.50. The tax is collected in various ways, being included in the cost of food, clothing, amusements, etc.

Last year Ontario spent $6,664,989 on the construction of public highways. This created general public interest, and was a highly commendable work. But last year, Ontario's fire loss, covering 9,221 fires was $10,883,000, and yet so little interest was taken in this heavy fire waste that it hardly received a second thought.

A particularly regrettable feature of the fire record of this country is the loss of life. During the same ten-year period as above, over 2,500 lives have been lost by fire. Last year 224 lives were lost in this way, and practically no amelioration of this condition is in sight. Only one method to overcome public apathy on the subject of our fire waste appears to promise results, namely, personal responsibility for fires, and sufficiently aggressive and reliable officials to see that the laws are enforced.

BRITISH AMERICA CLOSES YEAR WITH A DEBIT BALANCE

Unfavorable Showing Due to Unfortunate Experiences In Marine Department

GROSS RECEIPTS UP

More Than Offset, However, By Losses on Marine Accounts —Other Departments Make Fair Progress

While the gross income receipts of the British America Assurance Company for 1920 were in excess of those for the previous year, the net results were a disappointment, the year closing with a debit balance of $314,887 from the year's operations compared with a favorable balance of $246,875 at the end of the previous year. The unfavorable showing is due almost wholly to the adverse experience of the marine department during the year, arising out of the continued bad conditions generally in the shipping business and particularly to the thieving of goods at most ports in the world. In fact the conditions became so bad toward the end of the year that this company discontinued writing some classes of the business from which it seemed impossible to derive any profit.

The other branches of the business, however, fire, automobile and hail departments, show a good margin of profit. Gross income for the year amounts to $4,032,434, compared with $3,822,054. There was a balance from the previous year's account amounting to $1,772,144, and after meeting all charges the balance remaining to be carried forward at December 31, 1920, totalled $1,421,838. From the fire, hail and auto insurance account there was a balance of $245,085, and from marine account a debit balance of $707,169.

	1920.	1919.
Fire, hail and auto premiums ..	$3,302,527	$2,924,328
Marine premiums ..	579,631	775,894
Investments	147,195	112,947
Inc. in securities ..	3,081	8,885
	$4,032,434	$3,822,054
Bal. forward	1,772,144	1,525,269
	$5,804,578	$5,347,323
Fire losses and exp.	3,057,442	2,458,372
Marine losses and expenses	1,286,800	964,057
Dividends	38,500	57,750
Other charges	....	95,000
Balance	$1,421,838	$1,772,144

President W. B. Meikle, in his address to the shareholders, pointed out that with the exception of 1914 this was the only setback the company has had since 1908. From December 31, 1908, to December 31, 1919, the total of the yearly profits amounted to over $2,400,000, against which the debit balance of the 1920 operations must, of course, be set. He made special reference to the conditions encountered in the marine insurance field, and pointed out that the company was unfortunate in not having marine agencies at many important ports throughout the world, where this branch of the business was more satisfactory owing to the shipments being largely carried on the steamers of regular and well-managed lines. On this continent and particularly in United States ports a large portion of the cargoes was carried by tramp steamers, and also during the last three or four years by steamers built for the United States Shipping Board by inexperienced firms.

The company's assets have increased by $76,349, and now stand at $4,406,208. After making provision for outstanding liabilities and special reserves to the extent of $1,584,990, and liability for unearned premiums on unexpired risks, $2,002,998, there remained a surplus to policyholders of $818,219.

NIAGARA FIRE INSURANCE COMPANY
Incorporated 1850 Head Office: NEW YORK
Cash Capital: $1,000,000.00
Total Assets Dec. 31st, 1919: $11,817,340.03
Canadian Department: MONTREAL W. E. Findlay, Manager
Toronto Agents - - - Murphy, Love, Hamilton & Bascom

The Western Empire
Life Assurance Company
Head Office: 701 Somerset Bldg.
Winnipeg, Man.
Men of proven ability would do well to write for particulars of the Agency Contract the Company is prepared to offer. Several District Managers required to cover exclusive good territory at a number of Western points.
Branch Offices:
Saskatoon Calgary Vancouver
WILLIAM SMITH,
Managing Director

INVESTMENT
Queen Street West, corner, 100 x 106, rear lane. Six houses in excellent state of repair bring a big revenue. Eventually a large warehouse will occupy this site.
$18,000
ROBINS LIMITED
Members Toronto Real Estate Board
Kent Building. Adelaide 3200

Headquarters for Investors
McCUAIG BROS. & CO.
Members of the Montreal Stock Exchange
Clarence J. McCuaig D. Rykert McCuaig
G. Eric McCuaig Clarence N. McCuaig
W. P. Hickey
A General Stock Exchange Business Transacted.
NOTRE DAME
at St. Francois Xavier Street
MONTREAL

Western Assurance Company
Fire, Marine, Automobile, Explosion, Riots, Civil Commotions and Strikes Insurance.
Incorporated 1851
HEAD OFFICE, TORONTO, ONT.
Assets Over - - - $8,000,000.00
Losses Paid Since Organization - - - $77,000,000.00
BOARD OF DIRECTORS: W. B. Meikle, President; Sir John Aird, Robert Bikerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.

British America Assurance Co.
Fire, Marine, Hail and Automobile Insurance
HEAD OFFICE - - TORONTO
BOARD OF DIRECTORS: W. B. Meikle, President and General Manager; Sir John Aird, Robt. Bickerdike (Montreal), Lt.-Col. Henry Brock, Alfred Cooper (London, Eng.), H. C. Cox, John H. Fulton (New York), D. B. Hanna, E. Hay, John Hoskin, K.C., LL.D., Miller Lash, Geo. A. Morrow, Lt.-Col. the Hon. Frederic Nicholls, Brig.-Gen. Sir Henry Pellatt, C.V.O., E. R. Wood.
Assets over - - $4,200,000.00
Losses Paid Since Organization, over - $47,000,000.00

ROYAL BANK OF SCOTLAND
Incorporated by Royal Charter 1727
Paid-up Capital .... £ 2,000,000
Rest and Undivided Profits.. 1,082,276
Deposits 39,114,127
Head Office:
St. Andrew Square, Edinburgh.
Cashier and Gen. Mgr., A. K. Wright.
Secretary, J. B. Adshead.
London Office—3, Bishopsgate, E.C. 2.
Wm. Wallace, Manager.
Glasgow Office—Royal Exchange Square and Buchanan Street.
Thomas Lillie, Agent.
172 Branches throughout Scotland.
Banking business of every description transacted. Deposits received at interest repayable at call or at notice. Drafts, Circular Notes, Letters of Credit and Cable Transfers issues — available throughout the world. Foreign Exchange. Accounts opened and Agency business undertaken for Foreign and Colonial Banks and other financial establishments. Correspondence invited.

IMPOSES LIMIT UPON POWERS OF LICENSING ACTS

Dominion Companies Unaffected by Licensing Acts of Provinces

ENDS LITIGATION

Privy Council Delivers Judgment in Important Appeal—More Incorporators Will Take Out Dom. Charters

The recent judgment of the judicial committee of the Privy Council, declaring ultra vires and invalid the company licensing acts of the provinces of Ontario, Manitoba and Saskatchewan insofar as they purported to affect Dominion companies, puts an end to a matter that has been the subject of contention and litigation in the Canadian courts for a number of years. The effect will be far reaching, not only as it affects the scope of operations of Canadian companies but upon the revenues of the several provinces as well. The immediate effect upon the provincial revenues will be considerable, more especially upon the receipts from incorporation fees, because the tendency of incorporators will be to take out a Dominion charter, which confers on a company once and for all the right to carry on business in every part of Canada. In Ontario the larger numbers of companies have hitherto operated under provincial charters. Strangely enough in Quebec, the reverse has been the case, possibly because, geographically, Montreal is nearer Ottawa than Quebec, but doubtless also because the Quebec Company Licensing Act excepted Dominion companies. The receipts of the Ontario Government from incorporation and licensing fees have run as high as $350,000 a year, a large part of which will no doubt be lost as result of the decision.

The issue in the recent appeal was the validity of the extra-provincial licensing or registration acts which had been passed by most of the provinces since the year 1900. These acts applied to foreign companies, including in that category not only companies incorporated by other countries, but those incorporated outside the enacting province and companies incorporated by the parliament of Canada. As regards the latter class, the Dominion authorities had consistently adhered to the view that such provincial legislation was ultra vires and a number of provincial enactments had been disallowed on that ground.

The Ontario Act

In 1900 an act was passed by the province of Ontario, which at first imposed merely nominal requirements on Dominion companies. An amendment of this act in 1903, making the requirements for Dominion companies more onerous was challenged by the Department of Justice and an undertaking was secured that it would be repealed. Before the next session of the legislature a change of government occurred and the undertaking was not carried out. The Ontario Act having accepted this allowance in this fashion, the other provinces followed suit, and all except Quebec passed enactments following more or less closely the Ontario model.

In 1914, at the instance of the Canadian Manufacturers Association, a case, John Deere Plow Company v. Wharton, was taken from the British Columbia courts to the Privy Council, which decided in favor of the Dominion, holding that the company in that case having been incorporated under a Dominion charter, could not be required to take out a license under the British Columbia Companies Act as a condition of exercising its powers in that province. The provisions of the British Columbia Act had been copied almost verbatim from the Ontario Act, but the Ontario authorities declined to recognize the British Columbia decision as binding, relying on some small differences to establish a distinction. The Government of Manitoba, whose act had been practically copied from that of Ontario, adopted a similar view. Several other provinces attempted by slight amendments to their acts to preserve their substantial effect.

The province of Saskatchewan, interpreting the John Deere decision to mean that Dominion companies must be treated without discrimination, combined its Foreign Companies Act with the Companies Act of Saskatchewan and required Dominion companies to go through the same process of incorporation and licensing as local companies and bring them substantially under the provisions of the local company law. At the same time the province of Saskatchewan took the initiative (which no other province had previously undertaken) in enforcing the act by bringing proceedings against several companies.

C.M.A. Takes Action

The issue having thus been raised, test cases were also instituted at the instance of the Canadian Manufacturers Association in Manitoba and Ontario. The decisions of the Canadian courts up to the Supreme Court of Canada were uniformly in favor of the provinces, with the exception of the decision of Mr. Justice Masten of Ontario, whose judgment is now sustained by the Privy Council. Dissenting judgments were also given by Mr. Justice Ferguson of Ontario and Mr. Justice Perdue and Mr. Justice Haggart of Manitoba. In the Saskatchewan cases the Privy Council reverses the unanimous opinions of eleven judges of the courts below.

The decision is that the company licensing and registration acts of Ontario, Manitoba and Saskatchewan are ultra vires and invalid insofar as they purport to affect Dominion companies. Their lordships hold that the acts in question are of the same general character as the act held to be ultra vires in the John Deere Plow case.

The argument against some of the provincial enactments was that these enactments sought under the guise of taxation to nullify the powers of Dominion companies. Their lordships say:

"What cannot be done directly cannot be done indirectly. This is a principle which has to be kept closely in view in testing the validity of the Provincial legislation under consideration as affecting Dominion companies.

"The methods by which the direct taxation is to be enforced may be restricted to the bringing of an action, with the usual consequences. It does not follow that because the Government of the Province can tax that it can put an end to the existence or even the powers of the company it taxes for non-compliance with the demands of the tax-gatherer.

"If the condition of taking out a license had been introduced, not so as to affect the status of the Dominion company, but simply for the purpose of obtaining payment of a direct tax for Provincial purposes, or of securing the observance of some restriction as to contracts to be observed by the public generally in the Province, or of causing the doing by that public generally, of some act of a purely local character only under license, their Lordships would have been prepared to regard the condition as one which it was within the power of the Province to impose. Even then it would have been requisite to see that the Provincial legislature was not, under the guise of imposing such direct taxation, really doing something else, such as imposing indirect taxation.

"Their Lordships have come to the conclusion that the real effect of this Act, as expressed or implied by its provisions, is to preclude companies of this character from exercising the powers of carrying on business in Ontario, to the same extent as in other parts of Canada, unless they comply with a condition sought to be imposed, that of obtaining a license to do so from the Government of the Province. . . . . Their Lordships are, therefore of opinion that these provisions cannot be regarded as confined only to such limited purposes as would be legitimate, and that they are therefore ultra vires."

SOLDIERS' INSURANCE ACT UNDER REVIEW

Several Proposed Amendments Discussed by Special Committee of Parliament

Several proposed amendments to the Returned Soldiers' Insurance Act were under review at Ottawa this week, before a special committee of parliament, with G. D. Finlayson, superintendent of insurance, acting in the role of sponsor for his department. The extension of the act to cover accident and sickness benefits to returned men was urged by the Great War Veterans' Association, but the proposal was opposed on the ground that it would present immense difficulties and would add enormously to the cost of administration.

Extension of the time period during which applications for returned soldiers' insurance may be made from September 1, 1922, as at present ordered by two to five years was not favored. An increase of the maximum policy from $5,000 to $10,000 was opposed on the ground that it would not benefit the large class which the insurance was aimed to protect. Further the fear was expressed that it would be largely confined to men of greatly impaired health, who might die after paying one or two premiums, thus inflicting a heavy expense upon the country. Mr. Finlayson did not favor the extension of the act to cover men not domiciled in Canada, as he did not think there was the same obligation to provide for the men who voluntarily resided outside of the country.

An American chemist has developed and perfected an indophen blue dye said to be of great value to industry and superior to German pre-war dyes of same general tone.

Western Assurance Company

Incorporated A.D. 1851

Fire, Marine, Tornado, Automobile, Explosion, Riots, Strikes and Civil Commotions and Hail Insurance

STATEMENT AS OF DECEMBER 31st, 1920

Fire Premiums for 1920		$3,527,612.86	
Marine Premiums for 1920		1,743,645.32	
			$5,271,258.18
Interests and Rents			217,169.15
			$5,488,427.33
Fire Losses	$1,797,213.21		
Agents' Commissions	711,773.15		
Taxes	147,348.17		
General Expenses	626,121.78		
		$3,282,456.31	
Marine Losses	$1,755,181.94		
Agents' Commissions	189,664.54		
Taxes	66,040.44		
General Expenses	137,605.29		
		2,148,492.21	
			5,430,948.52
PROFIT FOR THE YEAR			$57,478.81
Capital stock authorized			$5,000,000.00
" " subscribed			2,500,000.00
" " paid up (Preference)			1,000,000.00
" " " (Common)			1,500,000.00
Losses paid since organization in 1851, over			$81,300,000.00

BOARD OF DIRECTORS:

W. B. Meikle, President
Dr. John Hoskin, K.C., Vice-President

Sir John Aird
Robert Bickerdike (Montreal)
Lt.-Col. Henry Brock
Alfred Cooper (London, Eng.)
H. C. Cox
John H. Fulton (New York)
D. B. Hanna
E. Hay
Miller Lash
George A. Morrow
Lt.-Col. Hon. Frederic Nicholls
Brig.-Gen. Sir Henry Pellatt, C.V.O.
E. R. Wood

BRITISH AND FOREIGN OFFICES: 14 Cornhill, London, E.C.
W. A. Miles, Manager.

BOARD AT LONDON, ENG.
Alfred Cooper, Chairman.
Lord Cable Sir Charles Johnston, Bart.

HEAD OFFICES: Western Assurance Buildings,
Corner Wellington and Scott Streets.

W. B. Meikle, General Manager. C. S. Wainwright, Secretary.

Canada Permanent Mortgage Corporation

QUARTERLY DIVIDEND

Notice is hereby given that a Dividend of THREE PER CENT. for the current quarter, being at the rate of

TWELVE PER CENT. PER ANNUM

on the paid-up Capital Stock of the Corporation, has been declared, and that the same will be payable

FRIDAY, THE FIRST DAY OF APRIL

next, to Shareholders of record at the close of business on the Fifteenth day of March.

By Order of the Board.

GEORGE H. SMITH,
Assistant General Manager.

Toronto, February 23rd, 1921.

Exclusively Canadian

We take pride in the fact that this is an exclusively Canadian Bank, with every effort concentrated on the development of domestic interests. For forty-five years our organization and capacities have been gradually broadening to cope with the increasing demands of industrious Canada.

Consult our local manager regarding your plans for development. 337

IMPERIAL BANK
OF CANADA
216 BRANCHES IN CANADA.

Agents in Great Britain: ENGLAND—Lloyds Bank Limited, London and Branches. SCOTLAND — The Commercial Bank of Scotland, Limited, Edinburgh and Branches. IRELAND — Bank of Ireland, Dublin and Branches. Agents in FRANCE: Credit Lyonnais, Lloyds and National Provincial Foreign Bank Limited.

SAFE, SANE and SOUND

The Northwestern Life Assurance Company first introduced into Canada three years ago Life Assurance without Medical Examination.

The system is based on the actual experience of twenty British Life Offices over a period of nearly a quarter of a century. It is scientific and absolutely safe.

As we anticipated three years ago, this modern reform is now being recognized by other leading companies in the Dominion.

Life Assurance Without Medical Examination has come to stay, and we are proud to have been the originators of this system in Canada.

Other offices take only $1,000—we take up to $2,500 Without Medical Examination.

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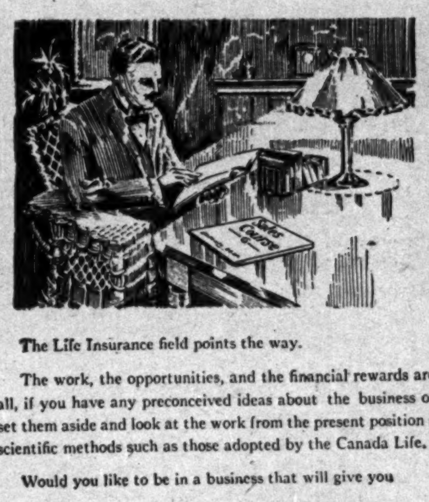

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CANADA LIFE ASSURANCE COMPANY
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CANADA CANNOT ESCAPE FEDERAL RAILWAY BURDEN

By Reducing Capitalization Until Accounts Balance

OBLIGATIONS REMAIN

Sir John Willison Sees in Railway Situation Warning For Ontario in Connection With Radial Projects

Speaking to the Young Men's Canadian Club of Toronto, Sir John Willison discussed Hon. T. A. Crerar's proposal to reduce or abolish deficits on the National Railways by reducing capitalization until the accounts balanced or surpluses were assured. He argued that if we could all escape our debts by merely reducing capitalization that a new principle would be introduced into business and life would become very simple for debtors and very uncertain and complicated for creditors. He emphasized the fact that by reducing capitalization Canada would not get rid of one dollar of its obligations. The only difference would be that the people would pay in taxes what is now paid in freight and passenger charges and from year to year tens of millions of dollars would have to be provided by the professional and working classes who use the railways only for occasional travelling. Moreover, he doubted if the way to encourage economy and increase efficiency on any railway system was to lay the annual losses upon the public in the form of taxation.

Sir John contended that we never should have had three transcontinental railways. Our sound policy from the first would have been to have a single through system which could have been double-tracked when necessary, or at the most two transcontinentals. But railway promoters and governments, supported always by an optimistic public opinion, plunged the country into huge expenditures for railway construction and made duplication of railways easy by too generous subsidies and guarantees. The responsibility for the immediate situation could not be laid upon any government. Indeed the people were as responsible as public men and one could not fairly hold the present Government to account for the difficult situation which now existed. We could all agree with Mr. Crerar that unnecessary lines and duplication of services should be abandoned but it was one thing to suggest this course and another for a Government which depended upon the constituencies for support to carry it out. Although Mr. Crerar criticized Dr. Reid, Minister of Railways, as failing to submit any definite proposals to parliament he was not certain that Mr. Crerar was much more definite than the minister.

Object Lesson from Ontario

Our experience with Federal railways should have a warning for Ontario. If we were not careful we would develop a radial situation not different from that which has developed in connection with steam railways, and which was now filling the whole country with concern. All down the history of this continent communities have from time to time gone mad over railways and there was danger that we in Ontario go mad over radials with the ultimate result of imposing upon the people the maintenance of unnecessary services, wasting capital and reducing the whole average of efficiency in transportation. Sir John Willison said he wholly agreed with Mr. Crerar that we should encourage settlement on the land and practise economy as we had never practised it before, but it did seem to him that it was just as important to maintain and expand Canadian industries, keep the home market for Canadian manufacturers and producers, and manufacture the raw materials of Canada to the last processes within the country.

IRON AND STEEL TRADE

An Evening-up Demand in Warehouse Trade

The general tone of business in the machine tool, steel and iron markets is slightly better this week, says Canadian Machinery. This does not mean that any great amount of bookings are being made, but it does mean that more orders are being received in several lines, and that in others there are inquiries of a perfectly reliable sort.

In a good many lines it is still true that prices are not allowed to stand in the way of orders being placed. Small tools and some lines in the steel warehouses are going out under these circumstances. Here is a peculiar situation, though, which is developing. Warehouses have not been buying for some time. They have been busy liquidating the stock they had in hand, depending on the mills to give them quick delivery on lines they were running short of. During the past week it has developed that some warehouses have lines in demand, while others have not, with the result that there is no more losing liquidation on the part of the firms that have the wanted lines. They are able to sell at a profit.

DECLINE SHOWN IN PULP-PAPER EXPORTS

Lack of Demand Brings Totals For February Down—For 11 Months $151,000,000

From Our Own Correspondent.

MONTREAL.—For the first time in some four years pulp and paper exports to the United States for the month of February showed an actual decline in value, the total being $8,668,815 as compared with $9,391,927 for February of last year. As a matter of fact the volume of export was considerably less as the prices governing the month of February in newsprint at least were considerably higher than those of one year ago. The exports of newsprint for the month dropped to 52,800 tons from 63,300, a decline of about 16 per cent., representing business of slightly less than 85 per cent. as compared with that of one year ago. The only grade of paper which showed an increase was that of book paper, which advanced 3,742 cwt. for the month, as compared with 2,026 cwt. for February of 1920. The exports of newsprint amounted to 1,056,706 cwt. with a value of $6,255,050, which represents 5.9 cents per pound. So far as newsprint is concerned, it may be expected that the publishers are holding down as far as they can on their importations owing to the fact that the price on the 1st of April goes down from $130 a ton to $110 a ton. The holding back therefore in accepting deliveries in so far as the publishers can do so under their contract will also apply to the month of March. Indeed, it is understood that an arrangement has been made by the mills in Canada as well as by those in the United States with their customers to ship them as little as may be required owing to the advantage it will be to the publishers to take delivery after the 1st of April rather than before.

The exports of pulp for the month included 5,176 tons of sulphate pulp valued at $471,722 representing an average of about $90 a ton as compared with a price that ran up anywhere from $125 to $150 a ton at the peak early last summer. The export of bleached sulphite amounted to 3,881 tons valued at $431,750 which represented about $132 a ton or a decline of over $100 a ton as compared with the high of last year. Groundwood pulp shows the heaviest relative decline with 4,323 tons valued at $244,049 representing about $57 a ton as compared with the high in May and June of last year of $150 a ton.

The countries of destination were as follows: Paper — United Kingdom $138,687, United States $5,818,447, other countries, $1,082,705. There was exported to the United States pulp to the value of $1,363,338, to the United Kingdom $106,816 and to other countries $258,822.

The figures for February in detail show an increase of $735,451 in the value of paper with a decrease in the value of chemical and mechanical pulp amounting to over $450,000. The two months compare as follows:

February	1921	1920	Gain or loss
Paper	$7,039,839	$6,304,388	*$ 735,451
Chem. Pulp ...	1,384,927	2,615,156	1,230,229
Mech. pulp	244,049	472,383	228,334
	$8,668,815	$9,391,927	$ 723,112

*Gain

Taking the eleven months, however, from April 1 of last year to the end of February of this year the pulp and paper exports reached a total value of $151,247,868 compared with $92,968,105 for the corresponding period of 1920 and with $74,569,120 in 1919. This meant a gain of $58,279,763 for the past eleven months over those ending February 29, 1920, and $76,678,748 over the figures of the previous year. These were made up as follows:

Eleven months	1921	1920	1919
Paper .....$	82,217,694	$56,022,212	$42,130,787
Chem. pulp	52,822,448	29,124,782	28,184,972
Mech. pulp.	16,207,726	7,821,111	4,253,361
	$151,347,868	$92,968,105	$74,569,120

Unmanufactured pulpwood to the amount of 195,037 cords, valued at $2,774,159, was exported to the United States during the month, compared with 52,351 cords, valued at $539,429, in February, 1920.

British Empire Steel Corporation, Limited

Circular Letter to the Shareholders of the

Dominion Steel Corporation, Limited

1. In June of last year you approved of an agreement under which the common shares of your Company were to be exchanged for shares in British Empire Steel Corporation, Limited, organized under the laws of the Province of Nova Scotia, with an authorized capital of $500,000,000.

2. Owing to circumstances which have since arisen, the directors of your Company have considered it inadvisable in your interests to have that agreement carried into effect, and the British Empire Steel Corporation, Limited, has agreed to a new arrangement in accordance with the terms of agreements, copies of which are enclosed herewith.

3. Your Directors are strongly convinced of the desirability of attaining the primary object of the original proposal, namely, the consolidation of the operations of your Company with those of the Nova Scotia Steel & Coal Company, Limited, and a new proposal having this principal end in view is now submitted to you involving the acquisition of shares of the following companies only:—

Dominion Steel Corporation, Limited, and its subsidiaries; Dominion Iron & Steel Company, Limited, and Dominion Coal Company, Limited.

Nova Scotia Steel & Coal Company, Limited, and its subsidiary, the Eastern Car Company, Limited.

Halifax Shipyards, Limited.

on the basis herein set forth.

4. Your Directors consider that the advantages of an alliance between the two senior and principal companies are so well known and appreciated that it is unnecessary to present them formally to the shareholders in this circular.

The inclusion of the Halifax Shipyards, Limited, another Nova Scotia enterprise, would appear to be a logical outcome of its situation on the Eastern Atlantic seaboard, and will provide an important outlet for the products of the Dominion Corporation and the Scotia Company. Halifax is admirably situated as a relief port for vessels which become disabled on the North Atlantic. During the last two years, the Company's slipways at Dartmouth hauled out 895 vessels of all classes, and repairs were executed on 294 ships at Halifax Graving Docks. At present two 10,500-ton vessels are in course of construction.

Extensive economies in the operation of all the plants should be effected under one general management and control.

5. The proposed stock issues in the British Empire Steel Corporation, Limited, in order to carry out the plans are as follows, aggregating in amount $101,750,000.00:

7% cumulative preference shares Series "B"	$19,950,000
7% cumulative second preference shares	57,350,000
Common shares	24,450,000
	$101,750,000

Of the $101,750,000 stock so proposed to be issued, $5,605,000 second cumulative 7% preference shares and $2,360,000 common shares will be held by the Dominion Iron & Steel Company, Limited, one of the constituent companies.

6. The British Empire Steel Corporation, Limited, will be able from time to time to obtain additional capital by the sale of 8% cumulative preference stock Series "A," which it has authority to issue.

7. The 7% cumulative preference shares Series "B" of the new corporation are to be offered in exchange for outstanding preference shares of the companies which enter the consolidation. Such exchange of preference shares will be at the option of the holders and upon the terms hereinafter mentioned.

8. The cumulative preference shares Series "B" rank with the cumulative preference shares Series "A" as a first preference both as regards dividend and distribution of assets on a winding up.

9. The cumulative second preference shares are to be exchanged on the basis hereinafter detailed for the outstanding common shares of the companies entering the consolidation.

10. The bond and debenture issues of the various companies are to remain undisturbed.

11. The basis of share exchange is as follows:—

(a) Each $100 fully paid ordinary or common share of the Dominion Steel Corporation, Limited, will be exchanged for $95.00 of fully paid 7% cumulative second preference shares and $40.00 fully paid ordinary or common shares in the British Empire Steel Corporation, Limited.

(b) Each $100 fully paid ordinary or common share of the Nova Scotia Steel & Coal Company, Limited, will be exchanged for $90.00 fully paid 7% cumulative second preference shares and $40.00 fully paid ordinary or common shares in the British Empire Steel Corporation, Limited.

(c) Each $100 fully paid ordinary or common share of Halifax Shipyards, Limited, will be exchanged for $60.00 fully paid 7% cumulative second preference shares and $25.00 fully paid ordinary or common shares in the British Empire Steel Corporation, Limited.

12. The preference shareholders of the constituent companies are to be entitled to exchange privileges as follows:—

(a) Each $100 6 per cent. cumulative preference share of Dominion Steel Corporation, Limited, and each 7 per cent. cumulative preference share of Dominion Iron & Steel Company, Limited, and each 7 per cent. cumulative preference share of Dominion Coal Company, Limited, to be exchangeable for one share of like amount of cumulative 7 per cent. preference stock Series "B" of the British Empire Steel Corporation, Limited.

(b) Each $100 8 per cent. cumulative preference share of the Nova Scotia Steel & Coal Company, Limited, to be exchangeable for one and one-fifth share of like amount of cumulative 7 per cent. preference stock Series "B" of the British Empire Steel Corporation, Limited, and each $100 6 per cent. cumulative preference share of the Eastern Car Company, Limited, to be exchangeable for one share of like amount of cumulative 7 per cent. preference stock Series "B" of the British Empire Steel Corporation, Limited.

(c) Each $100 preference share of Halifax Shipyards, Limited, to be exchangeable for one share of like amount of cumulative 7 per cent. preference stock Series "B" of the British Empire Steel Corporation, Limited.

13. Upon approval by the common shareholders of the Dominion Steel Corporation and the Nova Scotia Steel & Coal Company, Limited, of the agreements providing for the exchange (pursuant to the provisions of the Nova Scotia Statute of 1920), and assuming that all the common shares of the Halifax Shipyards, Limited, are exchanged, and assuming that the holders of the preference shares in the three companies take advantage of their rights to exchange their holdings for the 7 per cent. preference shares "B" Series, the securities of the British Empire Steel Corporation, Limited, to be issued will be distributed as follows:—

7 per cent. preference shares Series "B" to be exchanged as follows:—

(a)	For the 6 per cent. preference shares of the Dominion Steel Corporation	$7,000,000	
(b)	For the 7 per cent. preference shares of Dominion Iron & Steel Company	5,000,000	
(c)	For the 7 per cent. preference shares of Dominion Coal Company	3,000,000	
(d)	For the 8% preference shares of the Nova Scotia Steel & Coal Company ..	1,200,000	
(e)	For the 6 per cent. preference shares of Eastern Car Company	750,000	
(f)	For the 7 per cent. preference shares of Halifax Shipyards	3,000,000	
			$19,950,000

7 per cent. second preference shares to be exchanged as follows:—

(a)	For Dominion Steel Corporation common shares	$40,850,000	
(b)	For Nova Scotia Steel & Coal Company common shares	13,500,000	
(c)	For Halifax Shipyards common shares.	3,000,000	
			$57,350,000

Common shares to be exchanged as follows:—

(a)	For Dominion Steel Corporation common shares	$17,200,000	
(b)	For Nova Scotia Steel & Coal Company common shares	6,000,000	
(c)	For Halifax Shipyards common shares.	1,250,000	
			24,450,000
			$101,750,000

14. Messrs. Marwick, Mitchell & Company, Chartered Accountants, [illegible] audited the books of the companies whose shares are proposed [illegible] acquired, and have prepared a financial statement as of December [illegible] 1919 (copy enclosed). As the end of the fiscal year of the Dominion [illegible] Corporation, Limited, is not reached until 31st March, it is not practi[illegible] to submit a balance sheet for the year 1920, but assurance can be [illegible] that the earnings of the combined companies for the year 1920 have [illegible] satisfactory. In addition to the Government and legal fees in connect[illegible] with the incorporation of the British Empire Steel Corporation, Limi[illegible] ample provision is made in the financial statement to cover all expe[illegible] including cost of investigations, appraisals, audits and reports incidental [illegible] the plan.

15. The British Empire Steel Corporation, Limited, has entered [illegible] covenants with the Dominion and Scotia Companies that it has no outsta[illegible] ing liabilities other than the expenses incurred in its organization and [illegible] motion, that it has no contracts or obligations outstanding other than [illegible] arising out of contracts or agreements for the exchange of shares with [illegible] three constituent companies, and that until it has acquired the comm[illegible] shares of the Dominion and Scotia Companies, and 85 per cent. of the issu[illegible] common shares of Halifax Shipyards, Limited, and until its permanent boar[illegible] is appointed, it will not issue any of its capital stock other than may be nece[illegible] sary to effect the exchanges above referred to, and that it will not crea[illegible] any liabilities except such as may be reasonably incurred in completing [illegible] organization and the acquisition of the said shares.

16. The majority of the permanent Board of Directors of the Briti[illegible] Empire Steel Corporation will be composed of members of the pres[illegible] Boards of the Dominion and Scotia Companies.

17. Mr. R. M. Wolvin, President and Director of and a shareholder [illegible] the Dominion Steel Corporation, Limited, is also a shareholder in the Nov[illegible] Scotia Steel & Coal Company, Limited. Mr. J. W. Norcross, Vice-Preside[illegible] and Director of and a shareholder in Dominion Steel Corporation, Limit[illegible] is also a shareholder in Halifax Shipyards, Limited. Mr. H. B. Smith, [illegible] Director of and a shareholder in Dominion Steel Corporation, Limited, [illegible] also the President, a Director and a shareholder in Halifax Shipya[illegible] Limited. Mr. J. F. M. Stewart, a Director and shareholder in Domini[illegible] Steel Corporation, Limited, is also a Director and shareholder in Hali[illegible] Shipyards, Limited. Mr. D. H. McDougall, a Director of and a sharehold[illegible] in Dominion Steel Corporation, Limited, is also the President, a Direc[illegible] of and a shareholder in Nova Scotia Steel & Coal Company, Limited.

Mr. W. D. Ross, Vice-President and a Director of the Scotia Compa[illegible] is a shareholder in the Dominion Company, and Hon. Lorne C. Web[illegible] a Director of the Scotia Company, is a shareholder in the Dominion C[illegible] pany, and Hon. R. M. McGregor, a Director of the Scotia Company, [illegible] shareholder in Halifax Shipyards, Limited.

An agreement between this Company and the British Empire S[illegible] Corporation, Limited, has been concluded, and a copy is enclosed herewi[illegible] The agreement cannot become effective until it has been approved by [illegible] majority vote of the common shareholders present in person or by pro[illegible] at a special meeting called for its consideration, but upon such approv[illegible] and upon approval by the holders of common shares of the Nova Sco[illegible] Steel & Coal Company, Limited, of a similar agreement between that Co[illegible] pany and the British Empire Steel Corporation, Limited, for the acquisiti[illegible] of all the common shares of the Nova Scotia Steel & Coal Company, Limite[illegible] the common shares of both companies will, in accordance with the Act [illegible] the Legislature of Nova Scotia, Chapter 183 of 1920, become vested in [illegible] British Empire Steel Corporation, Limited.

Notice convening the special meeting is enclosed herewith.

The Directors, having given the matter careful consideration, recommend the approval of the agreement.

For the Board of Directors of Dominion Steel Corporation, Limited.

R. M. WOLVIN,
President.

Montreal, 21st March, 1921.

British Empire Steel Corporation, Limited

Projected Financial Statement as at 31st December, 1919

(Consolidating the Assets and Liabilities of the Companies proposed to be acquired and giving effect, as at that date, to the introduction and application of proposed new Capital)

ASSETS

Land, Buildings, Plant and Machinery, Mining Properties and Equipment		$150,956,605.[illegible]
Less Depreciation Reserves		20,172,938.[illegible]
		$130,783,667.[illegible]
Deferred Balances Receivable on Properties Sold		79,208.[illegible]
Current Assets:		
Cash	$ 1,574,220.54	
Uncalled Capital of Constituent Company since called up	300,000.00	
Call Loans	1,449,404.20	
Canadian and U.S. Government Bonds ..	3,872,105.49	
Notes and Accounts Receivable	11,792,169.50	
Inventories of Stores and Supplies, Raw Materials, Work in Progress and Finished Products	15,388,099.59	
		34,375,999.[illegible]
Investments		2,232,299.[illegible]
Deferred Charges to Operations		1,119,358.[illegible]
Cash held for Bond Redemption		145,751.[illegible]
		$168,736,285.[illegible]

LIABILITIES

Capital Stock to be Issued:		
First Preference "B" 7% Cumulative		$ 19,950,000.[illegible]
Second Preference 7% Cumulative		57,350,000.[illegible]
Common Stock		24,450,000.[illegible]
		$101,750,000.[illegible]
Deduct:—To be held by Constituent Companies:		
Second Preference 7% Cumulative Stock.	$ 5,605,000.00	
Common Stock	2,360,000.00	
		7,965,000.[illegible]
		$ 93,785,000.[illegible]
Funded Debt Represented by Bonds and Debenture Stock of Constituent Companies...	$31,555,873.52	
Deduct:—Held for Sinking Fund or in Treasury	453,398.47	
		31,102,475.[illegible]
Deferred Payments on Properties Purchased		1,484,000.[illegible]
Current Liabilities:		
Bank and Other Loans (partly secured)..	$ 3,670,270.32	
Notes Payable	367,497.97	
Accounts Payable, Taxes and Dividends..	7,702,679.57	
Payments on Uncompleted Contracts (partly earned)	1,935,150.00	
		13,675,597.[illegible]
Deferred Credits to Income		1,075,600.[illegible]
Reserves:		
For Relining Furnaces, Renewals, etc....	$ 1,153,456.94	
For Government and Legal Fees upon Incorporation	150,000.00	
		1,303,456.[illegible]
Surplus of Constituent Companies		26,310,154.[illegible]
		$168,736,285.[illegible]

CERTIFICATE OF AUDITORS

We have made an examination of the books of the Dominion Steel Corporation Ltd. and its Subsidiaries, the Nova Scotia Steel & Coal Co. Ltd. and Subsidiaries, and the Halifa[illegible] Shipyards Ltd. as at 31st December, 1919.

We certify that the above financial statement affords a full and fair presentation of [illegible] combined assets and liabilities of the said companies as at 31st December, 1919, after givi[illegible] effect to certain appreciations in value of fixed assets which are supported by certificat[illegible] the Canadian Appraisal Company, and eliminating the outstanding capital issues, and givi[illegible] effect to the introduction of the new capital to be issued in exchange therefor, under [illegible] visional agreements with the constituent companies.

MARWICK, MITCHELL & CO., C.A.

Montreal, Que., 22nd March, 1921.

LOOPHOLES IN THE TURNOVER TAX PROPOSAL

Some Contrary Arguments by Late Auditor of Taxation

EXEMPTIONS ALLOWED

Seventeen and a Half Per Cent. on Business Profits—Income Tax Sound But Needs Revising

By JOHN MILLER,
Late Auditor of Taxation, Finance Department, Ottawa.

When, as at the present moment, the problem of taxation is so closely absorbing public attention, it is most desirable that calm consideration be given to all the facts. In the popular demand for "a change" business men may be led to forget or overlook the advantages of our present tax system.

The last addition to our tax system is the Sales Tax. As a producer of revenue this has been so successful that a wave of demand has arisen, asking that it be extended into a gross sales or turnover tax. I cannot but think that this increase would be dangerous and costly to the public. If it is to be an addition to the Sales Tax, and so passed on openly to the ultimate consumer, along with the additions it must get, on its way to the said consumer, good and well, if he does not object, though he should. But if this Turnover Tax is to be levied on the trader and paid by him annually or otherwise out of his profits, a moment's consideration will show its absurdity.

One per cent. on the turnover would, in some cases, be equal to one-third or one-half of the net profits, while in others it would be only one-twentieth or less. Or again, where trading is done, as it has been too often done last year, at a loss, it would simply be an intolerable hardship.

The Bache Proposal

I should like to point out that the adoption of the Turnover Tax which Mr. Bache suggests as a substitute for other taxes would most admirably suit the many United States corporations in Canada, the shareholders of which would thus escape without paying a cent of Canadian taxation, such being, in these circumstances, paid for them by the ultimate consumers in Canada.

The substitution of a Turnover Tax for the Income and Business Profits Tax would simply transfer the load from the wealthy and successful individuals and corporations to the general public. I hardly think it possible, therefore, that our financial fathers at Ottawa will consider it. From my personal knowledge of many of the foremost business men in Canada, I feel sure that so long as their share of taxation is equitable they would not desire to avoid their reasonable portion.

Income Tax Supported

Considering the Income Tax one is forced to the conclusion that it has come to stay. The experience of Great Britain, where it has been in force for many years, in one form or another, proves it to be one of the fairest and most elastic of taxes. Moreover, it would appear as if the graduated system we have in Canada is likely to become to a certain extent the model for other countries.

Some Suggestions

I do not consider our Income Tax at all perfect. It does not permit any averaging of incomes, and the rates of tax on the high levels are severe, but the principle of graduation appears sound. One plan by which, if an individual is sufficiently wealthy he may by incorporation legally escape from the tax he otherwise would have to pay, should be remedied. Also it might be possible to collect from large firms the tax payable by their employees, as the Workmen's Compensation Tax is, or was, collected in Great Britain.

Profits 17 Per Cent. Exempt

In considering the working of the Business Profits Tax, it must be kept in mind:

1. That up to and including 1920 the Business Profits or Income Tax of one period is allowed as a charge to the profits of the following period. This is not the case in calculating Income Tax.

2. That all real reserves are included as capital, and are subject to exemption of 10 per cent. for 1920.

3. That as the Income Tax applies to all corporations in the first place, the Business Profits Tax only takes effect when it is greater than the Income Tax.

Keeping these points in mind, as also the fact that as in calculating the Income Tax, no allow[...] come Tax of the previous period, it is impossible to give a rule which will apply exactly to any other circumstances than those quoted. The result works out in approximately the following way:

How It Works Out

Granted a company with a capital of $500,000, including reserves and balance of profits, and a profit for 1920 of $70,000—this profit being arrived at after paying an Income or Business Profits Tax for 1919 of $10,000. The Income Tax for 1920 on a profit of $70,000, plus $10,000, less the exemption of $2,000, would be at 10½ per cent., $8,190; while the Business Profits Tax would amount to $4,000, and therefore being less than the Income Tax would not be applicable, and yet this company had made a net profit of 14 per cent.

Under the same circumstances as regards capital and the previous periods' tax, it will be found that until the company has earned net $85,633 or 17⅛ per cent. on its total capital, it is not affected by the Business Profits Tax.

If on the other hand the company's profits for 1919 had been so small it was not taxable under either Act, the Income Tax for 1920 would be $6,970 and the profits would have to be over $81,567 or 16 5-16 per cent. before the Business Profits Tax became applicable.

Thus for 1920 the Business Profits Tax only applies to corporations that have made at the very least over 16 5-16 per cent. profit on their total capital, and might not apply even were the profits higher—the average will probably be not less than 17½ per cent.

This being the case, as can be proven, it can hardly be said that the Business Profits Tax either restrains trade or discourages new capital, Canadian or foreign.

Suggested Changes

So far what I have said has been more or less in the nature of criticism, but I venture to go further and make certain suggestions.

I think that the Business Profits Tax should be incorporated with the Income Tax in the manner as set forth below:

The Income Tax, I consider, should, apart from small changes, be amended as follows:

(1) This tax as applied to individuals, to partnerships, and to incorporated companies, should be applied on an average of three years, with this proviso: That till 1922 or 1923 the average should not be used if the result is to increase the tax. It is evident that to average 1919, 1920 and 1921 might cause a hardship.

(2) That the higher grade of personal Income Tax be revised with a view of making the higher grade not much over 50 per cent.

(3) For incorporated companies, that the profits be averaged for three years as suggested above, that the capital be similarly averaged, that the deduction of Income or Business Profits Tax for the previous year be disallowed as a charge to profit. That the exemption be a fixed sum of at least $2,000 to be deducted from profits before any tax on the balance is calculated. That the tax on such net profits be 10 per cent. on profits up to 10 per cent. made on total capital, 15 per cent. on profits over 10 per cent. and up to 15 per cent. on total capital, 20 per cent. on profits over 15 per cent. and up to 20 per cent on total capital, and 25 per cent. on all profits made over 20 per cent. The exempted amount of $2,000 or over to be deducted from the highest taxed section of profits.

(4) As regards incorporated individuals, it might be possible to separate the capital and profits gained by bona-fide trading, and apply to these the rates just quoted, but for the remainder of the revenue, to treat it as the revenue by a trust company is treated, and add to the incomes of the shareholders their proportions, whether paid or not as if they were beneficiaries of a trust fund.

I have endeavored to prove that any increase of the Sales or Turnover Tax to replace Business Profits or Income Tax would tend to throw the burden of taxation on the ultimate consumer. This appears far from desirable, and I am sure would not appeal to the Canadian business men who, so far as I have met them, have always been prepared to bear their fair share of taxation.

The foregoing suggestions are therefore made as a contribution to a discussion, the purpose of which is to arrive at a system of taxation, which while avoiding the excessive rates and the inequalities of the past, provides for a graduated tax which shall be equitable and in the general interests of the Dominion.

TARIFF REVISION

Sir Henry Drayton Says Work is Going Ahead

Explaining that one of the government organs had stated that there would probably be no general tariff revision this session, S. W. Jacobs asked Sir Henry Drayton in the House of Commons for affirmation or denial. Sir Henry replied:

I am afraid I must deny it. I can ve[...] truthfully say that I had no[...] with the publication of th[...] ever, I may say that the [...]

TOURISTS VS. IMPERIALISM WITH BERMUDA

Reasons Why Trade Agreement Has Not Been Confirmed

NOT VERY IMPORTANT

Arrangement With Other Southern Colonies Very Much More Important to Canada

From Our Own Correspondent.

OTTAWA.—The statement that Bermuda had decided not to become participant in the Canada-West Indies trade agreement has been assumed by some newspaper headline writers to mean that the whole project is off. As a matter of fact, of all the different southern colonies which took part in the conference here last June, Bermuda is the only one which has, so far, failed to ratify the arrangement; and from a trade standpoint she is certainly the least important. The total imports from Bermuda to Canada in the year ending March 31st, 1920, amounted to only $55,604. The exports to Bermuda were about $1,250,000, made up principally of flour, oats, butter, cheese, coal, hay, fish, and meats.

Bermuda makes no pretensions to being a commercial country. Its total imports in 1917 were only $3-282,532, of which nearly two-thirds was from the United States. Its exports in the same year were $913,-000, of which all but $19,000 were to the same country. Almost the entire exports consist of onions, Easter lilies, early potatoes and arrow-root. The real business of the country is as a pleasure resort.

Bermuda's Position

The proposal which Bermuda turned down was that Canada should extend a preference of fifty per cent. on all goods (other than tobacco, cigars, cigarettes, and liquors), while Bermuda was to accord a preference of 25 per cent. to Canada, and to contribute not less than $10,000 a year towards a steamship subsidy. Canada also agreed to put onions—Bermuda's chief product—on the free list, as against a general tariff of 30 per cent. ad valorem; and give a preference of one cent a pound on arrowroot.

Bermuda was not a party to the former agreement, and, as a matter of fact, was not much inclined to enter this one. Her position was much the same as that of Jamaica at the time the original treaty was negotiated. Jamaica would not enter into the arrangement at that time, because the United States took practically the whole of her bananas, which was one of her chief articles of export, and she feared retaliation. When she was shown, however, that in the year 1918, for example, her total export of bananas to that country was valued at $1,264,970, while Canada in the same year imported bananas from the United States (probably the same bananas) to the value of $3,280,724, Jamaica looked upon the matter differently, and she has ratified the new agreement.

Bermuda, instead of bananas, cultivates tourists. The tourist business is by far the greatest source of wealth of the islands; and probably more than three-fourths of them come from the United States. Therefore, Bermuda will not enter into any agreement with Canada probably until we can show a visible supply of tourists approximately equal to that of the United States. It is all interesting, and somewhat amusing, as an example of the imperialistic sentiment as it works out in practise.

Col. Amery, Under Secretary for Colonial Affairs, was sent to Canada to attend this conference and guide its steps in the path of Imperialism; and that feature was undoubtedly stressed as one of the reasons why the agreement should be entered into. Bermuda is one of the oldest of British colonies, and has been inordinately proud of her Imperial connection; but when she puts it in the scale against her American tourists—well, Bermuda is just human.—T. M. F.

FORD'S FINANCING

Better Times Encourage Auto King to Go it Alone

The Ford Motor Co. will not do any financing at the present time, according to New York bankers who have been keeping in close touch with the Detroit motor genius. These same b[...] several weeks ago were of [...] that it w[...]so-[...] in the motor industry are showing signs of improvement and that Ford feels that he can "go it alone," for a while at least. It is said that the banks are prepared to renew outstanding loans that mature soon.

FARMERS IN POLITICS

Preparations for Federal Campaign in the West

From Our Own Correspondent.

REGINA.—Although the farmers of Saskatchewan have decided not to enter the provincial political field as a party, they are making ready for the call of a federal election. Active work in preparation of a Dominion vote is being arranged now, according to R. M. Johnson, secretary of the new National Policy political association, which is the political name of the Grain Growers of Saskatchewan.

ANGLO-PERSIAN OIL

British Government Has Control by Stock Vote

Holdings of the British Government in the Anglo-Persian Oil Co., Ltd., as stated recently by the Chancellor of the Exchequer, give it voting control of the company. Its investment is represented by 5,000,000 shares of ordinary stock, 1,000 shares of 6 per cent. preference and 199,000 shares of 5 per cent. debenture stock, all of £1 par value.

There are 5,000,000 shares each of the debenture and preference stocks issued and 7,500,000 shares of the ordinary stock. The Burmah Oil Co. owns the major part of the ordinary stock not held by the British Government and a small amount is held by the estate of Lord Strathcona.

While its operations for a number of years have been limited to Persian fields, the company has recently entered other countries as well as the marketing end of the business. It has extended its operations in the producing department by entering Canada, Mexico, Rumania, Hungary and Australia.

"There Were Giants In Those Days"

READ this remarkable story by George Ham in March 15th MACLEAN'S. Seven full magazine pages, chock full of stories of those amazing days when the C.P.R. was conceived and constructed: human, hitherto unpublished details of the lives and careers of those three veteran founders, and, later, presidents of our first transcontinental: Lord Mount Stephen, the late Sir William Van Horne, and Baron Shaughnessy.

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"Broadway to Brussels" By C. C. Jenkins
"Little Bundles of Pluck" By Agnes C. Laut
"A Woman Would Know" By Charles G. Booth
"Those Who Stood in Darkness" By J. L. Rutledge

Review of Reviews

"What Does Future Hold for Mankind?" H. G. Wells
"The World's New Leaders" Sir Philip Gibbs
"Labor Espionage in the U.S." Sydney Howard
"Bismarck's Account of Dismissal" Neue Zuricher Zeitung
"Ireland, the Enemy?" Harold Cox
"Devil Duval's Treasure" Chambers's Journal
"A Winged Torpedo Boat" "Tin-Fish"
"How Van Horne Rose" Walter Vaughan
"Criminal Tribes of India" London Times
"Salvaging Submarine Victims" Stuart Martin
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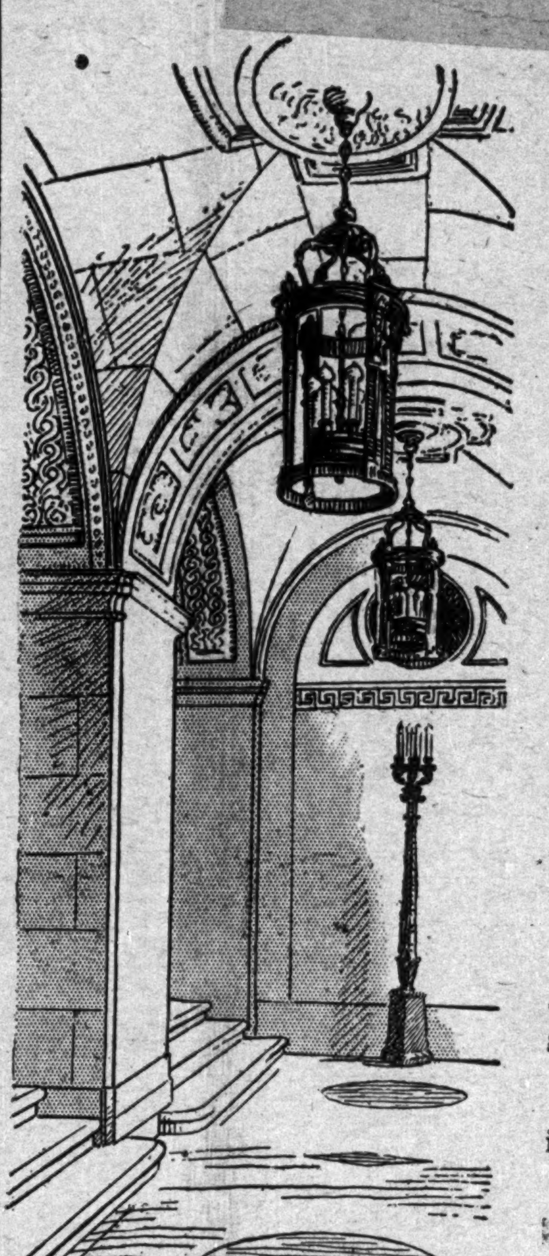

Depositing Money

YOUR money is the result of successful effort—the effort, perhaps, of years. You do an important thing when you deposit your money in a Bank, and you express high confidence in the Bank.

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THOS. F. HOW
General Manager

THE BANK OF TORONTO

BIG ADVANCE IN RIORDON PROFITS FOR PAST YEAR

Combined Earnings of Old And New Companies $4,642,630

GATINEAU, $400,000

This in Addition to the Other —Distribution of 12,000,000 Common Seems Unlikely Now—Sharp Decline

From Our Own Correspondent.

MONTREAL.—Figures were issued this week showing the combined earnings of the old Riordon Pulp and Paper Company for the six months ending June 30, 1920, and the new company, that is the Riordon Co., Limited, for the six months ending December 31, 1920. The total earnings for this period amounted to $4,642,630. It is stated that these figures do not take into account the profits coming to the new Riordon Company from the operation of its subsidiary, the Gatineau Company, which produced during the 12 months over 100,000,000 feet of pine lumber and showed net earnings after interest charges exceeding $400,000. From the earnings of the Riordon Company allowance will be made for depreciation, depletion and other reserves amounting to $958,042, leaving net earnings available for interest at $3,684,588. These charges amounted to $614,203, leaving a balance available for dividends of $3,070,375, out of which there will be deducted $480,000 for preferred dividends, leaving a balance of $2,590,375 available for common dividend. On the common dividend there was distributed during the year $525,000 leaving a balance on this account of $1,965,385. With the net earnings of $400,000 from the Gatineau Company the total would amount to $2,365,000.

On the new basis of capitalization there is outstanding some $10,000,000 of 8 per cent. first preferred and $10,000,000 of 7 per cent. second preferred with $27,000,000 of common stock. Bonds have been issued to the extent of $7,401,000 which includes a sufficient amount to retire the outstanding bond issue of the Riordon Pulp and Paper Company, amounting to some $5,900,000. On the new preferred stock, that is the stock of the Riordon Company, Limited, $800,000 is required to cover the 8 per cent. dividends, and $700,000 for the 7 per cent. preferred. So far as the Riordon Pulp and Paper Company is concerned there is $1,500,000 of 7 per cent. preferred which calls for a dividend of $105,000 during the year. The common stock of the old company amounting to $6,000,000 pays 10 per cent. or $600,000 in dividends, but this is provided for by the dividend on the issue of $9,000,000 of the new 7 per cent. preferred which returns $630,000 per annum. The Riordon Pulp and Paper Company also has in its treasury $12,000,000 of the new common stock of the Riordon Company, Limited.

There has been some consideration given by the company, it is understood, to a distribution of this $12,000,000 of common shares among the holders of the common stock of the Riordon Pulp and Paper Company as a bonus. There is a feeling in some quarters that a distribution of $12,000,000 of the common shares at this time might result in the throwing of a large portion of this bonus stock on the market in a lower price for the stock that is already there. Another objection that has been raised is that this stock could not be distributed to the common shareholders without the consent of the holders of the $1,500,000 of preferred stock of the Riordon Pulp and Paper Company, because a distribution of this stock might be considered as handing over some of the assets on which the preferred shareholders naturally consider they have a prior claim.

Owing to a report, it is understood, that new financing may be necessary, there was a sharp decline in the price of the stock early this week, both old and the new common, but the publication of the earnings' statement acted as a bulwark at once, and there was a partial recovery.

[illegible] the near approach of spring Bos[illegible] manufacturers are experiencing [illegible] demand and moderate[illegible] The Endicott [illegible]

CANADIAN STOCKS

Quotations of listed Securities on Montreal and Toronto Stock Exchanges, with prices at closing on Mar. 22. In stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active.

Capitalization: Preferred	Common	Bonds and Debentures	Div. Rate	Yield to Mar.15	COMPANY	Range 1920 High	1920 Low	1921 to Mar. 15 High	1921 to Mar. 15 Low	Close Mar. 22 Ask	Close Mar. 22 Bid	Week ending Mar. 22 High	Low	Close	Sales
...	5 000 000	6 160 600	6	14.12	Abitibi Power & Paper com	87	49¾	58	33	45	44½	44⅛	42⅝	43	6,084
1,000 000	...	...	7	8.04	Abitibi Power & Paper pref	99	85	89	86¼	88	...	86	85	86	35
...	6 594 300	...	...	...	Amer. Cyanamid com	36	33	...	...	...	...	...	...	...	...
994 200	...	...	6	9.67	Amer. Cyanamid pref	65	62	62	...	...	...	...	...	...	...
...	3 500 000	1 473 666	...	...	Ames-Holden com	137¼	10	25	20	...	...	...	...	...	...
2,500 000	...	...	7	...	Ames-Holden pref	114¾	27	45¼	28	28	27	28	27¾	27¾	95
...	614 660	465 951	...	...	Amer. Salesbook com	7½	5	6⅛	...	...	...	...	...	...	...
3,073 300	...	...	7+1¾	9.03	Amer. Salesbook pref	83¼	70	78	72	80	77½	77½	77½	77½	38
...	3 000 000	2 940 000	6+2	7.67	Asbestos Corp. com	103	64	82½	72¼	76	76½	78	75¼	76	40
4,000 000	...	...	7	8.88	Asbestos Corp. pref	108	83	96	88⅜	89½	89	90	90	90	15
...	3 500 000	1 345 000	10	...	Altantic Sugar com	164	16	33¼	20½	33	32½	33½	30	31½	2,622
2,500 000	...	...	7	...	Atlantic Sugar pref	184	24½	34*	...	...	...	...	...	...	...
8,483 500	27 450 000	54 063 875	...	...	Barcelona Traction	9¼	3¼	5⅞	4	5⅜	5	5¼	5	5¼	120
...	22 336 300	16 649 000	8	7.61	Bell Telephone	111¼	100	112	99¼	...	104	105¾	104	105¾	110
...	4 282 200	...	6	14.28	B. C. Fishing	66	34¼	46	38	41	40	41	40	40	95
10000 000	106 566 300	22 657 000	...	...	Brazilian Traction com	51¼	28	36	30⅜	34	33⅜	33⅝	33	33¼	3,105
...	1,278 700	...	10	9.43	Burt. F. N. com	110	88	109	101½	106	104	105	104	105	113
1,446 500	...	...	7	6.73	Burt. F. N. pref	110	90	108	96¼	106	104	105	105	105	5
2,000 000	7 000 000	2 193 000	7	...	Brompton Paper	85	42¼	57¼	34	36⅝	36	36¼	35	36	1,940
...	2 500 000	1 146 872	...	...	Canada Bread com	32½	19	22	18	18½	17½	17⅛	17⅛	17⅛	10
1 250 000	...	...	7	8.04	Canada Bread pref	86½	84	88	85	...	...	...	...	...	...
...	4 975 000	7 757 822	...	...	Can. Car & Fdry com	74	29	43	30	34	33	36¼	32	33½	15,827
7,500 000	...	...	7	10.00	Can Car & Frdy. pref	109	67	79	64	70	68	70	69	69	10,235
...	13,500 000	6 346,260	6	10.17	Canada Cement com	75	54¼	67¾	56⅝	59	58	59¼	58	59¼	1,540
10 500 000	...	...	7	7.60	Canada Cement pref	100	88⅜	94	90	...	91	92	90	91	253
...	1 733 500	399 000	7	11.66	Can. Converters	80	51	65	58	...	58	60	58	58	30
...	2 805 500	9 500 000	...	...	Can. Cons Rubber com	100	87¾	...	...	...	...	...	...	...	...
3 000 000	...	...	7	7.00	Can. Cons. Rubber pref	95	92	...	...	...	...	...	...	...	...
...	2 715 500	4 567 105	8	10.38	Can. Cottons com	100	71	80	72	...	...	...	...	...	...
3 661 500	...	...	6	7.77	Can Cottons pref	83	66	77	70	77	74	77	77	77	38
...	960 000	173 200	12	...	Can. Forgings, com	257	75	...	...	...	...	...	...	...	...
960 000	...	...	7	7.60	Can. Forgings, pref	92	91	...	...	...	...	...	...	...	...
...	8 000 000	...	8	7.01	Can. Gen. Electric com	109	93¾	117	94	113½	112	114¼	111½	114	1,355
2 000 000	...	...	7	7.00	Can. Gen. Electric pref	104	90	100¼	90	98	97	98	96½	97¾	77
...	2 000 000	1 500 000	8	9.41	Can. Locomotive com	100	80	86	82	83	82	83	83	83	25
1,500 000	...	...	7	8.13	Can. Locomotive pref	95	80	89	82½	86	84	87	87	87	20
80,681 921	260 000 000	271 934 882	10	7.78	Can. Pacific Railway	142	125	141	127¾	130½	130	131¾	128⅛	129⅜	283
...	800 000	369 000	8	9.09	Can Salt	147	85	89	87	...	...	...	...	...	...
...	12 000 000	7 979 619	7	...	Can. Steamships com	80¼	34	50¼	27⅜	29½	29	32	29¼	30	1,787
12 500 000	...	...	7	10.76	Can. Steamships pref	85	60½	74	64¼	66¼	6 ¾	67	65¼	66½	333
...	1 200 000	454 500	...	...	Carriage Fact. com	49½	7½	20	12	...	...	...	...	...	...
1 200 800	...	...	...	...	Carriage Fact. pref	90½	72¼	65¾	...	...	...	...	...	...	...
...	565 000	...	...	...	City Dairy com	62	50	60	55	...	...	...	...	...	...
700 000	...	...	7	8.75	City Dairy pref	99	85	82	80	...	...	...	...	...	...
...	5 360 700	...	10	7.19	Consumers Gas	150	125	140	124¾	136½	135	137	135½	135½	132
...	6 212 666	...	6	12.76	Crow's Nest Coal	59⅞	40	55	45	...	...	...	...	...	...
...	15 000 000	35 757 500	8	9.63	Detroit United Rly	113¾	79¼	96	82⅞	83	81	84	80	82¾	526
...	6 500 000	...	8	10.12	Dominion Bridge	115	69	92	76	80	...	80	73½	79½	177
...	2 796 300	1 719 410	...	...	Dom. Canners com	66¼	26	45	25	30	28	29	28¼	28½	125
2 290 600	...	...	7	8.75	Dom. Canners pref	90	79	80½	78	...	...	...	...	...	...
3 000 000	15 000 000	5 864 500	7	8.86	Dominion Coal pref	97½	70	79	63¼	...	...	...	...	...	...
...	4 250 000	1 683 363	6	10.34	Dominion Glass com	69¾	57	64	56	56	55	56	55	55	485
2 600 000	...	...	7	8.53	Dominion Glass pref	91	82¼	84	77½	82	81½	82¼	82	82	95
5 000 000	25 000 000	13 434 313	7	9.58	Dominion Iron pref	92	65	76	68	...	72	70½	70	70	45
7 000 000	37 100 000	20 450 682	6	15.38	Dominion Steel Corp	82½	39	49	37	43	42½	43¼	39½	42¼	4,603
...	1 000 000	...	6	7.14	Dom. Telegraph	91¾	80	85	81	...	...	...	...	...	...
...	5 000 000	4 767 500	10	9.00	Dom. Textile com	146½	96½	117	104	112½	110	112	112	112	35
1 940 600	...	...	7	7.14	Dom. Textile pref	105	89	98	89½	...	...	98	98	98	50
1 500 000	3 500 000	3 500 000	4	...	Duluth Superior	28	12	15	12¾	...	...	...	...	...	...
...	2 250 500	950 000	...	...	Goodwins com	35	26	25	25	...	...	...	...	...	...
1 750 000	...	...	7	10.00	Goodwins pref	95	75	70	...	...	...	...	...	...	...
...	1 000 000	225 000	...	...	Holt Renfrew com	70	62	...	...	...	...	...	...	...	...
1,000,000	...	...	7	8.75	Holt Renfrew pref	85	80	...	...	...	...	...	...	...	...
...	2 500,000	800,000	8	8.38	Howard Smith Paper com	167	74¾	110	87½	...	...	...	...	...	...
1,500,000	...	...	8	8.93	Howard Smith Paper pref	107½	91	92¼	89½	..	88½	87	87	87	5
7,289,500	...	...	6	8.82	Illinois Traction pref	70	64	71¼	65	...	...	...	...	...	...
500,000	6,267,005	...	25c.	...	International Petroleum	82	20	...	...	...	...	...	...	...	...
...	2,198,018	1,902,500	8	8.88	Kaministiquia	97	83½	93	90	92	...	90	88	88	6
...	2,800,000	900,000	12	8.13	Lake of the Woods com	220	130	155	135½	150	148	148	148	148	84
1,500,000	...	...	7	7.00	Lake of the Woods pref	112	93¼	100	94	...	101	101	101	101	5
...	9,600,000	565,778	6	7.14	Laurentide Paper	125	81	95	81	89	88½	88½	85½	86	2 070
1,300,000	1,750,000	934,900	8	11.76	Lyall Construction	99	35	75	47½	69	65	69	69	69	50
2,388,600	3,000,000	...	...	...	Macdonald A. com	44¼	19	25	20	23½	...	23	23	23	125
...	41,380,400	...	6	8.33	Mackay com	79⅜	67¼	80	69	73	72	72½	71½	72½	272
50,000,000	...	...	4	6.30	Mackay pref	74	61	65⅛	63	...	63½	65½	64	64¾	31
...	2,500,000	...	12	9.09	Maple Leaf Mill com	196	133	146	130	135	130	132	132	132	15
2,930,000	...	...	7	7.11	Maple Leaf Mill pref	104	92	98¾	93	...	...	...	...	...	...
...	1,275,000	...	...	...	Monarch Knitting com	75	60	...	...	...	...	...	...	...	...
750,000	...	...	7	8.75	Monarch Knitting pef	90	85	80	76½	...	...	...	...	...	...
...	2,949,600	...	6	8.33	Montreal Cottons com	87	78	75	70	76	75	76	76	76	135
2,949,600	...	...	7	7.69	Montreal Cottons pref	105	90	95	90	...	96½	87	87	87	15
...	64,126,100	...	5	6.03	Montreal L.H. & P. cons	90	76	86	81	82¼	82	82¼	82	82	326
...	2,000,000	...	8+¼	7.14	Montreal Telegraph	124	110	118	110	...	112	112	112	112	1
...	3,861,070	36,608,153	10	7.38	Montreal Tramways	155	125	140	125	...	...	...	...	...	...
...	2,254,300	1,580,000	4	10.00	National Breweries com	70	39¼	56¼	38	37½	37	41⅛	36½	37½	9,732
2,775,000	...	...	7	7.77	National Breweries pref	97	93	90	...	...	...	...	...	...	...
...	2,000,000	...	...	...	Nat. Steel Car com	12	3	6	4	5¼	5	5⅛	5⅛	5⅛	25
1,500,000	...	...	7	...	Nat. Steel Car pref	41½	21	28	22	25	24½	25	25	25	30
...	15,000,000	11,026,931	5	13.15	N. S. Steel & Coal com	80	33½	14	37	...	...	...	...	...	...
1,000,000	...	...	8	10.00	N. S. Steel & Coal pref	107	75	88	80	...	85	88	88	88	5
...	2,500,000	2,350,000	12	5.98	Ogilvie Milling com	280	175	214	180	...	...	...	...	...	...
2,000,000	...	...	7	6.93	Ogilvie Milling pref	105½	97	101	99	...	99¾	101	100	100	67
...	750,000	538,200	8	12.69	Ont. Steel Products com	89	50	70	58	65	...	65	63½	65	55
750,000	...	...	7	7.95	Ont. Steel Products pref	89½	89	88	...	...	...	...	...	...	...
...	3,500,000	2,825,000	6	8.57	Ottawa L. H. & P.	81	70	72½	70	...	...	69¾	69½	69½	82
...	650,000	...	2	5.55	Pacific Burt. com	42	30¼	36	34	...	...	...	...	...	...
650,000	...	...	7	8.97	Pacific Burt. pref	85	76	81	76	...	...	...	...	...	...
...	2,150,600	2,000,000	8+2	8.08	Penmans Ltd. com	148½	93	103	95	95	...	97	95	95	3
1,075,000	...	...	6	7.10	Penmans Ltd. pref	91½	74	85	78	...	...	...	...	...	...
...	749,500	...	...	...	Port Hope Sanitary c	27	25	...	...	...	...	...	...	...	...
400,000	...	...	7	...	Port Hope Sanitary pre	42	30¼	...	...	...	...	...	...	...	...
...	3,000,000	3,837,666	4	...	Porto Rico Rlys. com	50	28½	46	37	...	43	45	43	44	85
1,000,000	...	...	7	9.58	Porto Rico Rlys. pref	79	60	78	64	...	73	76	76	76	50
...	8,534,200	5,372,098	8	3.80	Price Bros	385	250	253	210	...	...	210	210	210	40
...	3,500,000	565,000	6+1	6.18	Provincial Paper com	132	80½	102	87¾	...	96	97	95¼	97	130
1,700,000	...	...	7	7.95	Provincial Paper pref	100	85	88¼	87¾	87¾	...	87¾	87¾	87¾	65
...	9,999,500	11,045,000	...	...	Que. Railway L.H.	36¾	18	29½	22	27¾	27¾	27½	27	27	845
...	4,500,000	5,909,400	10	8.13	Riordon Paper com	226	126⅞	160	119	116	...	122	105⅛	112	1,290
1,500,000	...	...	7	9.33	Riordon Paper pref	101½	83	80	75	...	...	...	...	...	...
...	1,500,000	432,000	...	...	Rogers Wm. com	71	52	55	53	...	...	...	...	...	...
1,122,800	...	...	7+1¾	7.52	Rogers Wm. pref	102	80	94	85	...	...	...	...	...	...
...	800,000	...	7	9.33	Russell Motor com	89	70	...	...	...	...	...	...	...	...
1,200,000	...	...	7	12.72	Russell Motor pref	98	40	65	46	...	...	...	...	...	...
...	1,500,000	478,868	...	...	Sawyer-Massey com	20	13	19	13	15	...	15	13	15	40
1,500,000	...	...	...	...	Sawyer-Massey pref	67¼	35	54	45	52	51	52	50½	50½	95
...	20,000,000	9,353,261	7	6.66	Shawinigan W & P.	119½	97½	109½	104	105	104½	105¼	104½	105	303
...	4 000,000	2,226,006	6	7.05	Sherwin Williams com	119	75	88	72	...	...	83½	83½	83½	40
3,425,000	...	...	7	7.44	Sherwin Williams pref	100	85¾	94	87	...	90	95	95	95	18
...	8,750,000	...	8	6.15	Shredded Wheat com	142	130¼	130	125	...	...	...	...	...	...
1,250,000	...	...	6	6.12	Shredded Wheat pref	98	98	...	...	...	...	...	...	...	...
...	8,000,000	10,332,113	7	9.79	Spanish River Pulp com	129	75	89¼	69⅛	78	77	78¼	73	77	3,420
5,699,100	...	...	7	8.53	Spanish River Pulp pref	149	82	95	79	86½	85½	87	83	85½	2,032
...	11,500,000	8,562,225	7	11.66	Steel of Canada com	88½	54¾	64	56¼	61½	60½	61	59	60¼	691
6,496,300	...	...	7	7.60	Steel of Canada pref	01½	85¾	97	86½	...	92	92	92	92	63
...	1,200,000	160,590	6+1	9.23	St. Lawrence Flour com	139	59	75½	61½	...	...	...	...	...	...
575,000	...	...	7	7.95	St. Lawrence Flour pref	98½	92	90	85	...	...	...	...	...	...
...	7,894,000	1,440,000	8	...	St. Maurice Paper	170	123	120	95	...	...	...	...	...	...
...	650,000	...	...	...	Tooke Bros. com	86	67	57	50	...	...	...	...	...	...
985,000	...	...	7	8.97	Tooke Bros. pref	91	83	78	75	...	...	...	...	...	...
...	12,000,000	2,502,306	...	...	Toronto Railway	65	35	74	58¾	69	68	68½	65	67½	810
...	2,500 000	...	4	8.00	Tuckett Tobacco com	57½	41	52	41	...	...	...	...	...	...
2,000,000	...	...	7	8.64	Tuckett Tobacco pref	93	81¼	83	81	...	...	...	...	...	...
3,000,000	22 000,000	20,213,000	...	...	Twin City com	49	31½	47	43½	46	45	45¾	45	45½	100
...	1,750 000	891 000	4	8.33	Wabasso Cotton	135	48	50	42½	...	47	47	47	47	0
...	5,000,000	3,302,600	6	9.09	Wayagamack	150¼	71	89	64½	75	73	74	70	70	210
...	2,449,588	1,371,55?	8	6.53	West. Can. Flour	145	105	122½	118	...	124	125	125	125	5
507 900	9,324 300	9,755 000	...	...	Winnipeg Rly	38	26	48	36	43	41	43	40	43	231
...	1,500,000	600,000	1½	4.13	Windsor Hotel	100	70	145	120	...	...	...	...	...	...
...	1,718,600	410,000	8	8.00	Woods Mfg. com	110	9[illegible]½	...	...	...	...	...	...	...	...
1,546.500	...	...	7	8.75	Woods Mfg. pref	86	78¼	80	...	76¼	..	78½	78½	78½	4

BANKS

Capital	Reserve	Div. Rate	Yield to Mar. 15	BANKS	Range 1920 High	Range 1920 Low	Range 1921 to Mar. 15 High	Range 1921 to Mar. 15 Low	Close Mar. 22 Ask	Close Mar. 22 Bid	Week Ending Mar. 22 High	Low	Close	Sales
15,000,000	15,000,000	12	6.31	Commerce	199½	173¼	200	179¾	190	189½	190	188½	190	42
6,000,000	7,000,000	12+1	6.05	Dominion	206	190	204	191½	199	196	198½	196	196	15
4,000,000	4,200,000	12+¾	6.66	Hamilton	194	168	185	169¼	180	...	180	180	180	3
4,000,000	4,000,000	10	6.62	Hochelaga	158½	151	156	151	...	...	152	152	152	36
7,000.000	7,500 000	12	6.34	Imperial	200	184	190	185	189½	188	188	187	187	3
10,029,622	8,400,000	12	6.85	Merchants	203	158	182	168	...	178	180	175	179½	172
4,000,000	5,000,000	12	6 70	Molsons	194	169	180	168½	...	177	179	179	179	15
22 000,000	22,000,000	12	5.82	Montreal	220½	185	212	195½	208	202	206	203	205	97
2,000.000	2,300,000	12	7.05	Nationale	174	162¾	174	165	...	...	...	...	...	...
9,700,000	18,000,000	16	6.13	Nova Scotia	273	243	265	249	...	257	257	257	257	27
20,134,010	20,134,010	12	5.94	Royal	233½	189½	208	193½	202	201	202½	201	202	159
3,802,001	4,800,000	14	6.96	Standard	222	200	205	198	203	201	202	201½	201¾	9
5,000,000	6,000,000	12	6.34	Toronto	197	179	192	182	188	...	186	186	186	14
8,000,000	6,000,000	10	6 41	Union	161	139	160½	146	155	154	156	155	156	50

LOAN, TRUST AND INSURANCE

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Canada Landed	10	10	150½	110	...	133½	133½
Canada Permanent	10	10	178	157	178	175	1 5½
Central Canada	10		...	...	...	...	...
Col. Investment, pref.	6	6	82	67	...	15½	7[illegible]
Dominion Savings	[illegible]		72	72	75	70	
[illegible]	[illegible]		[illegible]	[illegible]	140	[illegible]	[illegible]

LOAN, TRUST AND INSURANCE	Div. 1920	Pres. Div. Rate	Range for 1920 High	Range for 1920 Low	Latest Price Ask	Latest Price Bid	Last Sale
Montreal Loan	12	...	165	155		165	155
National Trust	11	12	230	198	200	195	195
Ontario Loan	10	10+¼	160	155	167	157	160
Real Estate Loan	7	7	95	92	...	[illegible]	[illegible]
Toronto General Trusts	[illegible]	[illegible]	[illegible]	19[illegible]	[illegible]	[illegible]	[illegible]
Toronto Mortgage	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

The Report for 1920

of The Great-West Life Assurance Company is now in print, and will be mailed to any interested person on request.

It records a year of remarkable success —success founded upon twenty-eight years of remarkable

Results to Policyholders

Over $256,850,000 of Insurance is now held in force by

The Great-West Life Assurance Co.

Dept. "G" *Head Office: Winnipeg*

Leave Your Worries to Us

Your worries about the future of your family after you are gone will be over if you name the Chartered Trust and Executor Company the executor of your will.

Safety, permanence of service and efficiency will be assured in the management of your estate if it is entrusted to the

Chartered Trust and Executor Company

46 King Street West, Toronto

HON. W. A. CHARLTON, M.P., *President* — W. S. MORDEN, K.C., *Vice-President and Estates Manager*

JOHN J. GIBSON, *Managing Director*

British America Assurance Company

Incorporated A.D. 1833

(Fire, Marine, Automobile and Hail Insurance)

STATEMENT AS OF 31st DECEMBER, 1920

Assets		$4,406,208.50
Reinsurance Reserve upon Canadian Government Standard	$2,002,998.55	
Sundry Liabilities, including Outstanding Losses and Special Reserves of $200,000 to cover unreported losses, taxes, etc.	1,584,990.46	
		3,587,989.01
SURPLUS TO POLICYHOLDERS		$ 818,219.49

Capital Stock authorized	$3,000,000.00
" " subscribed	1,400,000.00
" " paid up (Preference)	550,000.00
" " " (Common)	850,000.00

Losses paid since organization (A.D. 1833), over.....$50,000,000.00

BOARD OF DIRECTORS

W. B. Meikle, President
Sir John Aird
Robert Bickerdike (Montreal)
Lt.-Col. Henry Brock
Alfred Cooper (London, Eng.)
H. C. Cox
John H. Fulton (New York)
D. B. Hanna

Dr. John Hoskin, K.C., Vice-President
E. Hay
Miller Lash
George A. Morrow
Lt.-Col. Hon. Frederic Nicholls
Brig.-Gen. Sir Henry Pellatt, C.V.O.
E. R. Wood.

BRITISH AND FOREIGN OFFICES: 14 Cornhill, London, E.C.
W. A. Miles, Manager.

BOARD AT LONDON, ENG.
Alfred Cooper, Chairman.
Lord Cable — Sir Charles Johnston, Bart.

HEAD OFFICES: British America Assurance Buildings, Corner Front and Scott Streets, Toronto.

W. B. Meikle, General Manager. — E. F. Garrow, Secretary.

DIAMOND TRADE DULL

A reflection of the dull trade conditions among diamond importers in America is contained in a report issued by the National Bank of South [illegible]ich says that the output of [illegible]ous stones from the mines [illegible] 896, or 5 per cent., compared to the October aggregate. The number of carats in the November diamond output amounted to 173,788, a decrease of 12,045 carats, compared to the October figures. Rough and uncut [illegible] registered in November at [illegible] totalled 40,27[illegible] carats [illegible]

NICHOLLS RESIGNS THE PRESIDENCY OF GENERAL ELECTRIC

Succeeded by A. E. Dyment, and by J. J. Ashworth as General Manager

SWEEPING CHANGES

Stock Dividend of 20 Per Cent. Declared—Financial Statement Reveals Record of Remarkable Activity

Developments of a highly important and interesting nature, discounted by the stock exchanges during the past few weeks, materialized at the annual meeting of the Canadian General Electric Co., Ltd., in Toronto this week. Not only were sweeping changes in management effected, as forecast in these columns some weeks ago, but the company's favorable financial position was reflected in the decision of the board of directors to declare a stock bonus of 20 per cent. Anticipations of some action of this kind had been anticipated of late in market circles with the result that the stock has made striking advances in the face of conditions generally unfavorable to bullish developments of an extended character. The distribution was even more generous than was generally expected, although a bonus as high as 25 per cent. had been mentioned in some quarters.

At the meeting the retirement of Senator Frederic Nicholls from the position of president and general manager, to become chairman of the board, was announced. He is succeeded as president by A. E. Dyment, former vice-president, and as general manager by J. J. Ashworth, formerly assistant general manager. Discussing his retirement Senator Nicholls pointed out to the meeting that he had maintained a policy of personal control and direction of all details of the business, large and small, for the past thirty-three years. With the expansion of the business and the corresponding increase in responsibilities he had concluded that it was not only fair to himself to ask for a measure of relief, but also none the less fair to the interests of the shareholders that the younger men should succeed him and carry on. In appreciation of his services a grant of bonus of 2,400 shares of unallotted common stock was approved by the meeting.

Apply to Ottawa

Immediate steps will be taken to carry out the order of the directors declaring a stock dividend of 20 per cent. To this end it will be necessary to secure authority from Ottawa to increase the stock authorized. The stock dividend will be financed from the company's surplus, which now amounts to $5,778,672.

The annual report submitted to shareholders revealed an exceptional record of activity and progress throughout the year, which was the more encouraging in view of the fact that many businesses have been very gravely affected by the depression that has developed. Profits before providing for depreciation and interest on borrowed capital amounted to $2,213,731, compared with $1,617,989 for the previous year, and $2,013,996 for 1918. Net profits after depreciation and interest amounted to $1,356,689, against $1,093,320 and $1,436,483 for the previous years. The sum of $1,014,114 was applied on dividends compared with $780,000. After all changes the amount to profit and loss stood at $778,672, which together with the reserve of $5,000,000 brings the total surplus up to $5,778,672, compared with $5,436,097.

Following are comparative figures of the consolidated surplus accounts:

	1920.	1919.	1918.
Profits	$2,213,731	$1,617,989	$2,013,996
Depreciation	530,741	524,668	577,513
Interest	326,300	....	....
Net profit	$1,356,689	$1,093,320	$1,436,483
Dividends	1,014,114	780,000	780,000
Surplus	$ 342,574	$ 313,320	$ 656,483
Undiv. profits	436,097	522,778	466,293
	$778,672	$ 836,097	$1,122,776
Trans. to Res.	....	400,000	600,000
	$ 778,672	$ 436,097	$ 522,776
Reserve	5,000,000	5,000,000	4,600,000
Surplus	$5,778,672	$5,436,097	$5,122,776

Outlook Bright

Senator Nicholls, in his report, points out that at the close of the year there were carried over uncompleted contracts amounting to $7,500,000. The outlook for the electrical industry was most encouraging, he added, as the demand for hydro-electric energy was greatly in excess of the supply. A su[illegible] of Canada's [illegible] about 2,000,000 horsepower [illegible] been utilitzed.

[illegible] made the following additional comment:

With regard to our inventory your directors have adopted a conservative policy. All active materials have been taken at or below cost; any goods that may be considered obsolete have been taken at the scrap value, and adequate reserves have been provided to guard against any shrinkage in value. The company has no outstanding bonds, debentures, mortgages or prior liens of any description, other than a nominal charge of $63,750 on properties purchased, and on which existing mortgages still current are not yet due.

According to the balance sheet assets total $30,833,661, compared with $23,489,457 for the previous year. Current assets amount to $16,081,604 against $10,705,961, the increase being largely due to the growth of inventory from $6,043,173 to $9,892,969, and accounts receivable from $3,426,397 to $4,757,942. Current accounts on the other hand also show a large increase, standing at $8,463,245 for the year, compared with $2,403,364. The reserve for depreciation has increased from $4,700,466 to $5,091,949.

SASKATCHEWAN'S BANKRUPTS

From Our Own Correspondent.

REGINA. — Since the Dominion Bankruptcy Act came into force last July there have been 60 bankruptcies in Saskatchewan. Of these 46 have been individuals, 13 partnerships and 3 limited liability companies. The liabilities in each case varied from $2,000 to $350,000.

SECURITY RECORDS SHOULD BE COMPLETE

Valuable for Investors to List All Their Holdings Thoroughly

Investment houses are stressing the value of investors keeping complete records concerning the securities they hold, and several Canadian houses have prepared cards or booklets for their clients, ruled in such a manner as to make it easy to keep such records.

Keeping a record of securities not only makes it much easier for the individual investor to see at a glance the position of his holdings and how his capital is distributed, but it enables him to analyze his holdings and watch carefully for possible opportunities to make advantageous sales or exchanges. When dividend and interest dates are listed as well, the possibility of allowing coupons to remain unclipped is lessened.

A good plan for investors to adopt is to attach the original prospectus, and all correspondence in connection with the purchase of any securities, to the certificates. This not only makes it simple to decide upon the merit of a security that has been held for a number of years, but it gives the investor information that may make it easier for him to dispose of the bond or stock. His action too will also protect him against the nonfulfilment of promises made in the prospectus or offering letter. Along these lines, the incident is told of a man who purchased the bonds of a comparatively unimportant company some years ago. He had been getting his interest in Canadian funds all along, but in glancing through his holdings not long ago he found a letter from the president of the company stating that interest would be paid in New York funds. He demanded his interest in American payment and made several hundred dollars that might have been missed had he not retained the president's letter.

U.S. Government expenses for eight months ended March 1, 1921, were $3,247,000,000, compared with $4.490,000,000 for corresponding period last year, decrease of $1,250,000,000.

CANADIAN GENERAL ELECTRIC COMPANY

LIMITED

DIRECTORS:

LT.-COL. THE HON. FREDERIC NICHOLLS, President.
A. E. DYMENT, Vice-President and Chairman of the Board.
J. J. ASHWORTH. GEORGE W. BEARDMORE. H. C. COX. STEPHEN HAAS. COL. THE HON. SIR J. S. HENDRIE, C.V.O.
SIR HERBERT HOLT. SIR JAMES LOUGHEED, K.C.M.G. SIR WILLIAM MACKENZIE. W. L. MATTHEWS. F. G. OSLER. W. G. ROSS.

ANNUAL REPORT OF THE DIRECTORS

Submitted to the Shareholders at the Annual General Meeting of the Company in Toronto, on Monday, March 21st, 1921.

Your Directors in submitting their Annual Report for the year ended 31st December, 1920, have pleasure in drawing attention to the fact that the past year has been one of the most progressive and prosperous in the history of the Company.

In the Annual Report for the year 1919 our Shareholders were advised that owing to the period of reconstruction which ensued after the Armistice conditions were far from encouraging, but that during the last six months of 1919 our orders exceeded any similar previous period. Fortunately that growth in the volume of business accepted by the Company both continued and increased during the year 1920, and at the close of the year there were carried over uncompleted contracts amounting to seven and a half million dollars.

The Profit for the year amounted to $2,213,731.14, from which is deducted the sum of $326,300.14 for interest and $530,741.95 which has been reserved for Depreciation, leaving a net Profit of $1,356,689.05. Dividends at the rate of 8% per annum and a Bonus of 2% were paid on the Common Stock and 7% on the Preference Stock of the Company, leaving a balance of $342,574.80 carried to the credit of Profit and Loss account, which added to the balance of $436,097.48 brought forward from the previous year makes a total of $778,672.28 at the credit of that account. This amount, together with our Reserve of $5,000,000.00, makes a total Surplus of $5,778,672.28.

While Dividends have been earned and paid since the Company was first organized, your Directors have always been careful to set aside from year to year an adequate sum for Depreciation and Reserve. As a result of this conservative policy continued over a long period the amount at the credit of Depreciation Reserve stands at $5,091,949.40, and the amount at the credit of Surplus account stands at $5,778,672.28. Having in mind the fact that our Shareholders in the past have been agreeable to the policy of a reasonable distribution of the profits earned, in order that the Company might build up a substantial Reserve, it is proposed to submit to the Shareholders at a Special General Meeting to be called for the purpose, a proposition whereby a portion of our accumulated Surplus may now be distributed to the Common Stock Holders in the form of a Stock Dividend of 20%.

A record of Dividends paid out since 1893 will be found on page 17. This amount added to the Reserve set aside for Depreciation, and the Surplus which has been accumulated, aggregates the sum of $22,685,818.07.

With regard to our Inventory, your Directors have adopted a conservative policy. All active materials have been taken at or below cost; any goods that may be considered obsolete have been taken at the scrap value, and adequate reserves have been provided to guard against any shrinkage in value.

The Company has no outstanding Bonds, Debentures, Mortgages or prior liens of any description, other than a nominal charge of $63,750.00 on properties purchased, and on which existing Mortgages still current are not yet due.

While the amount at the credit of Current Accounts and Bills Payable is in excess of last year, this has been caused by the increase in our Inventory of raw materials, Work in Progress, Pay Rolls, etc., necessitated by the increased volume of orders booked. On the other hand the liquid condition of the Company's Assets may be noted, the total of our liquid Assets amounting to $16,081,604.04, or nearly $8,000,000.00 in excess of our current Liabilities.

In our last Annual Report, Shareholders were advised that owing to the manufacturing and distributing facilities of the Company being overtaxed additions and extensions had been authorized. These are now practically completed and equipped, at a cost of $1,890,775.81, and will enable us to manufacture to greater advantage. The total floor area of our several manufacturing plants is 2,055,464 square feet, and our Pay Roll for 1920 amounted to over $6,000,000.00.

The outlook for the electrical industry is most promising, as the demand for hydro-electric power is greatly in excess of the supply. The reason for this condition, favorable to the electrical industry, is because the use of electric power leads to more economical operation of industries and public utilities, and the convenient use of numerous household appliances for heating, cooking, lighting, etc. A survey of Canada's available water power shows nearly 20,000,000 horse power available, of which only about 2,000,000 horse power has been utilized, but other powers will be developed as the need arises, and will afford a growing and continuing market for electrical machinery and appliances.

In concluding this Report, which I am signing on behalf of the Directors as President and General Manager of the Company, I have to say that I do so for the last time, having decided to retire from these responsible positions. Since I organized a syndicate thirty-three years ago, for the purpose of investigating the possibilities of the electrical industry as a field for investment, I have maintained a policy of personal control and direction of all details of the business, large and small. The Capital of the original syndicate, from which our present Company sprung, was $10,000.00, whereas our Assets to-day are over $31,000,000.00. This remarkable growth necessitated a corresponding increase in responsibilities, and I have concluded that it is not only fair to myself to ask for a measure of relief, but also none the less fair to the interests of the Shareholders that younger men should succeed me and carry on. During my long period of service I have been fortunate in maintaining the respect and confidence of your Directors with whom it has been my privilege to be associated in our mutual efforts towards building up a great and prosperous Canadian industry, and they have expressed the desire that I accept the position of Chairman of the Board of Directors, in which position I will be able to continue to keep in touch with the affairs of the Company, and my services will be available for assistance and advice when required.

FREDERIC NICHOLLS, President.

CANADIAN GENERAL ELECTRIC COMPANY, LIMITED

AND SUBSIDIARY COMPANIES

CONSOLIDATED BALANCE SHEET, 31st DECEMBER, 1920

ASSETS.

CAPITAL ASSETS—		
Land, Buildings, etc., at Toronto, Peterboro, Bridgeburg, Stratford, Montreal, Branch Offices, and Power Plant at Nassau		$ 8,280,299.53
Machinery and Tools		5,553,628.96
Patterns and Drawings		918,128.38
Patents, Contracts and Goodwill		1.00
Total Capital Assets		$14,752,057.87
CURRENT ASSETS—		
Inventory of Raw Material, Supplies, Work in Progress and Finished Materials, including expenditures on Contracts (less collections on account)	$9,892,969.55	
Accounts Receivable (less Reserve for Doubtful Accounts)	4,757,942.17	
Mortgages Receivable	90,000.00	
Investments	894,086.30	
Cash on hand and in Banks	343,824.29	
Prepaid Insurance Premiums, etc.	102,781.73	
Total Current Assets		16,081,604.04
		$30,833,661.91

LT.-COL. THE HON. FREDERIC NICHOLLS, President.
A. E. DYMENT, Vice-President.

LIABILITIES.

CAPITAL STOCK—		
Common—Authorized	$10,000,000.00	
Issued		$ 8,754,400.00
Preferred—Authorized and Issued		2,000,000.00
		$10,754,400.00
MORTGAGE OBLIGATIONS ON PROPERTIES PURCHASED		63,750.00
CONTINGENT LIABILITIES		509,667.57
CURRENT ACCOUNTS AND BILLS PAYABLE		8,463,245.07
DIVIDEND ON COMMON STOCK ACCRUED, paid January 1st, 1921		171,977.59
RESERVE FOR DEPRECIATION		5,091,949.40
SURPLUS per Account Annexed—		
Reserve	$5,000,000.00	
Profit and Loss	778,672.28	
		5,778,672.28
		$30,833,661.91

With our Report to the Shareholders dated 21st February, 1921, appended hereto.

PRICE, WATERHOUSE & CO., Auditors.

CONSOLIDATED SURPLUS ACCOUNT

Profit for the year ended December 31st, 1920, before providing for Depreciation and Interest on borrowed Capital		$2,213,731.14
Less—		
Reserve for Depreciation of Plant and Equipment	$530,741.95	
Interest on borrowed Capital	326,300.14	
		857,042.09
Net Profit for the Year		$1,356,689.05
Less—Dividends Paid: 8% and bonus of 2% on Common, and 7% on Preferred Stock		1,014,114.25
Surplus for the Year		$ 342,574.80
Add—		
Undivided Profits as at December 31st, 1919		436,097.48
Balance at credit Profit and Loss		$ 778,672.28
Reserve		5,000,000.00
Surplus per Balance Sheet		$5,778,672.28

The Toronto General Trusts Corporation

NOTICE is hereby given that a dividend of Three Per Cent. (3%) has been declared upon the Paid-up Capital Stock of this Corporation for the quarter ending March 31st, 1921, being at the rate of

TWELVE PER CENT. PER ANNUM

and that the same be payable on and after Friday, the first day of April, 1921.

The Transfer Books of the Corporation will be closed from Tuesday, the 15th day of March, until Thursday, the 31st day of March, 1921, both days inclusive.

By order of the Board of Directors,

A. D. LANGMUIR,
General Manager.

Toronto, March 1st, 1921.

DOMINION TEXTILE COMPANY, LIMITED

NOTICE OF DIVIDEND

A DIVIDEND of one and three-quarters per cent. (1¾%) on the Preferred Stock of the DOMINION TEXTILE COMPANY LIMITED, has been declared for the quarter ending 31st MARCH, 1921, payable APRIL 15th, to shareholders of record MARCH 31st.

By order of the Board,

JAS. H. WEBB,
Secretary-Treasurer.

Montreal, 28th February, 1921.

The Bank of Nova Scotia

DIVIDEND NO. 205

NOTICE is hereby given that a Dividend at the rate of Four per cent. on the paid-up Capital Stock of this Bank has been declared for the quarter ending March 31st, and that the same will be payable on and after Friday, the first day of April next, at any of the offices of the Bank.

The Stock Transfer Book will be closed from the 17th to the 31st proximo, inclusive.

By order of the Board,

H. A. RICHARDSON,
General Manager.

Halifax, N.S., February 25th, 1921.

Howard Smith Paper Mills, Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of 2% on the Common Stock, and 2% on the Preferred Stock of the Howard Smith Paper Mills Limited, has been declared for the quarter ending the 31st day of March, 1921, payable on the 20th day of April, to Shareholders of record at the close of business on the 9th day of April, 1921.

By Order of the Board.

HAROLD CRABTREE,
Secretary.

Montreal, Que., March 14th, 1921.

Laurentide Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that a dividend of one and one-half per cent. (1½%) has this day been declared on the Capital Stock of this Company, for the quarter ending March 31st, 1921, payable Friday, April 1st, 1921, to Shareholders of record at the close of business, March 22nd, 1921.

By order of the Board of Directors,

W. F. ROBINSON,
Secretary.

Montreal, March 15th, 1921.

Provincial Paper Mills Limited

DIVIDEND NOTICE

NOTICE is hereby given that Dividends have been declared by PROVINCIAL PAPER MILLS LIMITED, as follows:

Regular Quarterly Dividend 1¾% on Preferred Stock;

Regular Quarterly Dividend 1½% on Common Stock;

Special Dividend 1% on Common Stock.

All payable on April 1st, 1921, to Shareholders of record at close of business March 15th, 1921.

(Signed) S. F. DUNCAN,
Secretary.

The Toronto Mortgage Co.

QUARTERLY DIVIDEND.

NOTICE is hereby given that a Dividend of Two and One-quarter Per Cent., being at the rate of Nine Per Cent. per annum, upon the Paid-up Capital Stock of this Company, has been declared for the current quarter, and that the same will be payable on and after

1st APRIL, 1921,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By Order of the Board.

WALTER GILLESPIE,
Manager.

Toronto, 3rd March, 1921.

WOODS MANUFACTURING COMPANY, LIMITED

Preferred Stock Dividend Notice

THE regular quarterly Dividend of one and three-quarters per cent. (1¾%) on the PREFERRED STOCK of WOODS MANUFACTURING COMPANY, LIMITED, for the quarter ending March 31st, 1921, has been declared payable April 1st, 1921, [illegible] Shareholders of record March 19th, [illegible]1.

By Order of [illegible]e Board.

JOH[illegible] KEENE,

The Steel Company of Canada, Limited

ORDINARY DIVIDEND NO. 17.

NOTICE is hereby given that a dividend of one and three-quarters per cent. on the issued and fully paid Ordinary Shares of the Company has been declared for the quarter ending March 31st, 1921.

PREFERENCE DIVIDEND NO. 39.

NOTICE is also given that a dividend of one and three-quarters per cent. on the issued and fully paid Preference Shares of the Company has been declared for the quarter ending March 31st, 1921.

The above dividends are payable May 2nd, 1921, to shareholders of record at close of business April 9th, 1921.

By Order of the Board.

H. H. CHAMP,
Treasurer.

Hamilton, Ont., March 17th, 1921.

CANADIAN CAR & FOUNDRY COMPANY, LIMITED, Montreal

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of one and three-quarters per cent. (1¾%) on the paid-up Preference Stock of this Company for the quarter ending March 31st, 1921, has been declared payable on the 11th day of April, 1921, to Shareholders of record at the close of business on the 26th day of March, 1921.

By Order of the Board.

A. C. BOURNE,
Secretary.

Montreal, March 18th, 1921.

Canada Cement Company Limited

ORDINARY SHAREHOLDERS.

DIVIDEND NO. 20.

NOTICE is hereby given that a dividend of 1½% for the three months ending March 31st, 1921, being at the rate of 6% per annum on the paid up Ordinary Stock of this Company, has been declared, and that the same will be paid on the 16th day of April next, to Ordinary Shareholders of record at the close of business March 31st, 1921.

H. L. DOBLE,
Secretary.

Montreal, March 16th, 1921.

The Dominion Bank

NOTICE is hereby given that a Dividend of Three Per Cent. upon the paid up Capital Stock of this institution has been declared for the quarter ending 31st March, 1921, being at the rate of 12 per cent. per annum, and that the same will be payable at the Head Office of the Bank and its Branches on and after Friday, the first day of April, 1921, to shareholders of record of 19th March, 1921.

By Order of the Board.

C. A. BOGERT,
General Manager.

Toronto, 18th February, 1921.

Abitibi Power & Paper Company Limited

DIVIDEND NOTICE

NOTICE is hereby given that a quarterly dividend of one and three-quarters (1¾%) per cent. has been declared on the Preferred Stock of the Abitibi Power & Paper Company, Limited, payable the first day of April, 1921, to shareholders of record at the close of business the 19th day of March, 1921.

By order of the Board,

L. R. WILSON,
Secretary.

The Canadian Crocker-Wheeler Co., Limited

DIVIDEND NOTICE

THE Directors of the Canadian Crocker-Wheeler Company, Limited, have declared a One and Three-quarters per cent. (1¾%) dividend on the preferred stock of the Company for the three months ending March 31st, 1921, to shareholders of record March 21st, 1921. Also a dividend of One and Three-quarters per cent. (1¾%) on the common stock of the Company for the three months ending March 31st, to shareholders of record March 21st, 1921.

The Stock Books will be closed from the 21st to the 31st of March, both days inclusive.

Cheques will be mailed to shareholders on March 31st, 1921.

By Order of the Board.

H. A. BURSON,
Secretary.

St. Catharines, Ont., March 5th, 1921.

WEST WANTS LABORERS

Big Demand for Workers for Farm Activities

From Our Own Correspondent.

REGINA.—While civic relief has been handed out all winter in the cities of Saskatchewan, the end is in sight. Over 1,500 orders for farm help have already been received by the provincial government employment service. It is estimated by the superintendent of the employmnt division of the Bureau of Labor that between 4,000 and 5,000 farm laborers will have to be found this spring. This is about the same number as last year. To secure these men a large number will have to be brought in from Manitoba and British Columbia. Several lumber companies in the province have decided on extensive operations this season and promise wages sufficiently attractive to keep men who would otherwise go on the farms. This will increase the number of [illegible]

RENT-FIXING ACT A MOVE TO MEET PUBLIC OPINION

But Legislation Will Never Solve the Housing Problem

ECONOMIC FALLACIES

Same Ignorance of Fundamental Principles Displayed As in the Case of the Court of Commerce

By R. E. GOSNELL.

The Ontario legislation to regulate rents may be regarded as another effort of fussy legislators to buck the natural laws governing business and increase the tax bills of the public on account of the legal machinery necessary. It is simply a repetition in principle of the ill-fated Court of Commerce, a sort of boot-strap device to assist us in lifting ourselves over the house tops. The latter was meant well, but owing to an excited and badly informed public state of mind, W. F. O'Connor, its author and finisher, particularly "finisher"—and I have no doubt quite sincere—was able to "put it over" parliament. It is only sufficient for a certain number of persons to shout loud and long enough for some person or party to undertake to frame legislation to meet the requirements of any fancied situation. "There should be a law ag'in it," a well known character in "Uncle Tom's Cabin" was fond of asserting, and in the whole of North America there is a large and well-disposed element who think every evil of the body politic can be cured by putting a law on the statute book "agin it."

Packers Were "Offered Up"

The high cost of living, of which high rents are one phase, and which, of course, was a very real and substantial thing—though universal as the result of common world-wide causes—through the imaginings of a misled public became to be regarded as the work of "profiteers," who it was alleged should have been hanged, drawn and quartered. The question was: Who are the profiteers? And the cry of the mob was, "Lead us to them and we'll crucify them!" The reports of O'Connor as the acting commissioner of the high cost of living didn't say, but suggested the packers. Public opinion, after the manner of the mob, was set against them. They were, metaphorically speaking, torn from limb to limb. It was discovered in the melee, however, that the packers were actually making less profits on the pound of meat sold to the consumer than any other class of dealer in food products.

Notwithstanding, somebody had to be a sacrificial offering and the packers' profits over 15 per cent. were confiscated. And so, after the manner of the infuriated populace, attention was directed to one after another of our industries—cold storage, flour-milling, textiles and so on, each in its turn being denounced, until public opinion—that awful thing we are in dread of and which nine times out of ten is not opinion based on facts but prejudice based on half lies propagated by demagogues, badly informed politicians and not a few editors—decided that every man in industry in this country was fleecing everybody else.

Popular Delusions

You see how easy it is to lay the foundation for socialists and communists who take our public men and the press at their own word and say: "The system which breeds profiteering, the spawn of greed and gain, is fundamentally wrong. Abolish profits and private property and you eliminate profiteering. Nationalize trade and industry and the incentive to rob your neighbor in barter is gone." Poor, deluded people, they forget that if you take away profits the will to do business at all is gone.

Profits are the very life and soul of activities of any kind, without which the people of the world would quickly revert to nomads and cave dwellers; but the demagogues and the politician and the press for political effect have furnished and are still furnishing the very ammunition the communist requires and desires in his propaganda. With all the investigations which took place and all the unlimited powers of the law at the disposal of the court of commerce, the "profiteer," as a common business factor, was found to be as elusive of capture as the golden cup at the foot of the rainbow. In the sense in which people thought, he didn't exist, any m[illegible] murderer ex[illegible], except as th[illegible] the rule. [illegible]tion of pro-

parliamentary session of 1919, proved on very general and prolonged testimony under oath that there had been no profiteering by the business or industrial portion of the community. That, in effect, was the unanimous report of a committee, the members of which represented all sides of the house. There had been large aggregate profits made during several years of the war owing to extraordinary and, largely, foreign demand; but in no case were the profits on capital employed or on turnover found to be excessive. Nevertheless, that ogre, public opinion, had to be placated and a court of commerce was created. Time, the great healer, has convinced practically everybody that the high cost of living is beyond the control of our lawmakers with their little bills and we hear no more about courts of commerce. We have even forgotten that there is one nominally in existence awaiting its death warrant from the Privy Council.

Sugar-Coating a Pill

And now we have come to high rents and the Ontario Government and the proposed sugar-coated pill; a repetition of the folly of the Court of Commerce by establishing rent courts to fix rents on premises of not over $100 per month. A dwelling house is a commodity very much the same as any other commodity subject to laws of supply and demand and otherwise conditioned according to circumstances to which no uniform, hard and fast rule of rent can possibly apply.

From personal experience, I have no love for landlords as a class. They are the meanest kind of capitalist. As a rule they have made their money by hard scrimping and saving and look upon houses as the safest kind of investment and they scrimp and save in spending their money in house construction just as hard as they did in making it—as far as possible, too, regardless of sanitation or architectural or structural excellence.

But you cannot remedy the evils of landlordism by fixing rents. No two houses not built side by side can have exactly the same rental values no matter what the cost. It depends among other things upon the desirability of the house and its location; and you cannot begin to make comparisons between the rental value of houses in Toronto and in Port Hope, or between the rental values of houses in towns and cities of similar size. A distinction of $100 and $60 as between houses in large and small cities is just as arbitrary and scientifically unsound as it would be in the case of almost any other two figures chosen in a haphazard way. It is bound to fail in practice, and of necessity, of course, bound to be a very expensive experiment.

Economics Are Simple

The failure of our public men to study and understand ordinary economics is perhaps the greatest political drawback of to-day. It is lamentable that otherwise sane and sensible men can be deluded by such a jimcrack thing as an Act of Parliament to fix rents. Why not pass a law defining the length of a woman's frock, because a good many good people professed to be shocked by the present scanty limitations set by fashion?

It is eminently proper and sound to regulate building so that there shall be standards of sanitary and other requirements, and every municipality should promulgate and enforce regulations to that end. It is also proper and sound in economics that a tenant should be protected in his rights and against hardships of arbitrary and unjust acts on the part of a landlord, but for that it is only necessary to empower some municipal official—it might be the assessment commissioner—to examine into individual grievances of treatment as they arise and adjust them. In the long run they would be found to be few. There is an underlying cause for high rents, which no one should understand better than a minister of labor himself and it is not by any means the greed of landlords.

MUNICIPAL HAIL INSURANCE

This Association for First Time Has Reserve Fund

From Our Own Correspondent.

REGINA.—For the first time in its history the Saskatchewan Municipal Hail Insurance Association, a body comprising more than 100 municipalities in the province, has a reserve fund. The financial statement shows a surplus of $577,224. This is made up of a balance of $238,046 from the 1919 operations and $339,177 from last year's operations. Although some of the delegates raised objections to the large surplus the convention endorsed the action of [illegible]ec-

LANDLORDS OPPOSE FAIR RENTAL BILL

Declare That It Is Opposed to Sound Economic Principles —Means Disaster

Declaring that the Fair Rental Bill, now under discussion in the Ontario legislature was "vicious in principle and confiscatory in its character," representatives of the Building Owners and Managers' Association of Toronto, the Toronto Real Estate Board, the Dominion Mortgage and Investment Association, and the Builders' Exchange meeting together this week were unanimous in their condemnation of the proposed measure. Opposition was offered on the ground that there had been little or no profiteering in the matter of rents by legitimate landlords, the only cases of rent profiteering having occurred where houses and parts of houses and apartments had been sub-let. Then again the proposed bill was one which would tend to create discord rather than harmony between the landlord and tenant. At the close of the meeting the various representatives pledged themselves to vigorously oppose the proposed legislation and voiced their sentiments in the following resolution:

That we protest against the passage of this bill by the members of the Ontario Legislature as being vicious in principle and opposed to sound economic business. As business men of experience, who have carefully studied the situation, we are convinced that such legislation must inevitably lead to disaster for the whole fabric of property rights is attacked by this act. We are assured by the trust and loan companies that no loans will be made on real estate. We are further informed by the Builders' Exchange that building of dwellings will cease, because no sales can be made. The tenant will not buy if the rent comes to less than the interest on the purchase price of the house. With the cessation of building operations hundreds of skilled mechanics will be thrown out of employment.

Returns received by local French commission show French production of iron ore increased from 9,429,789 during 1919 to 13.871,187 tons in 1920. Increase was mainly in invaded region of Briey-Longwy.

NORTHERN POWER EARNINGS INCREASE

Despite Handicaps Encountered by Company—Surplus Down

Despite the fact that the operations of the Northern Ontario Light & Power Company were handicapped by the exceptionally small rainfall during the later months in the year and the curtailed supply of power, gross earnings for the year from all sources show a satisfactory increase over the previous year, standing at $909,427, compared with $835,126. The operating expenses amounted to $303,487, against $261,724, leaving net profits for the past year at $605,940, compared with $573,401. This, together with the $654,576 carried forward from the previous year, made a balance of $952,861 available for distribution. After all charges there remained a surplus at the end of the year amounting to $559,893.

	1920.	1919.
Gross earnings	$909,427	$835,126
Operating exp.	303,487	261,724
Net profits	$605,940	$573,401
Bond interest	275,190	275,190
Exchange charges	32,464	11,291
Profit	$298,285	$286,920
Surplus forward	654,576	636,426
Total surplus	$952,861	923,347
Reserves	250,000	125,000
Pref. dividend	142,968	142,968
Surplus	$559,893	$635,379

President D. Fasken points out in the report that the company's franchise for the supply of light and power to the municipality of the town of Cochrane being about to expire early in 1921, the directors arranged for the sale of the company's assets at Cochrane to the town on satisfactory terms. The company added to its Dominion Government bond holdings to the extent of $120,000, bringing the total investment in these securities up to $370,500. The company's undertakings, including hydro-electric, and compressed air installations, dams, buildings, etc., have been maintained in good operating condition.

A Short Step Back— A Long Step Forward

Take a round trip of the movie houses to-night—go into the theatre section of any town in Canada—you will find crowded houses and many "Standing Room Only" signs.

People have money to spend and they will spend it freely when they find what they want. But they have become discriminating. They're not "broke"—only cautious. They demand more for their money.

The merchant who, for the past four years, has needed little more than ability to hand out goods, must now "sell" his consumer, and sell that consumer at a seeming loss of profits.

It is imperative to impress upon your merchant that the answer is TURNOVER. Profits must be small that the sale may be attractive to the consumer; and, a small profit will never of itself make a wealthy merchant—but a *large and steady turnover* at a small profit will net safety and success for any retailer.

So the problem resolves itself into Turnover—Turnover—and still more Turnover. Energy, persistence and small profits. This may sound like a step backward, but it is necessary so that we may once more take a real step forward.

During this period the merchant needs your help—your inspiration and your co-operation. Gain his confidence through straightforward messages from your house. Send him messages and sales inspiration through his trade newspaper. **And when you are advertising, make an A.B.C. statement part of your contract. It is your recognized guarantee of delivery.**

MacLean Trade Newspapers are read by thousands of merchants—for markets—for selling methods—for suggestions on speeding up monthly turnover—for your announcements. Will you profit by using this avenue to Better Business?

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